Featuring The Maritime Provinces

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

Vol. XXI. Member of Audit Bureau of Circulations PUBLICATION OFFICE: TORONTO, NOVEMBER 18, 1927 10c a Copy; $5.00 a Year No. 46

The Nation's Business

Has Mr. Forke a Policy After All?
Promises to Encourage British Immigration
Seriously Backed, This Move Would Help
Up to Department
Besco Progresses, Report Shows
Economics Relegates Business Rivalry

RECENT trenchant criticism, heaped upon the Department of Immigration at Ottawa, has apparently not gone unnoticed in government circles. Mr. Forke's statement to the provincial premiers in conference at Ottawa showed the beginnings of a change of attitude on the immigration problem. Mr. Forke promised to remove existing restrictions on British immigration and to bring to Canada and place in jobs all the immigrants that could be found in Britain.

This promise may mean much and it may mean little. If immigration activities are carried out in the future as in the past, Canada need not expect any increase in the flow of British immigration from this policy of unlimited acceptance.

* * *

THERE can be little doubt that in the past the department has placed many obstacles in the way of British settlers coming to Canada. Some of these obstacles have been outlined in these columns. The Women's British Immigration League of Saskatchewan recently revealed the extent of the discrimination of the department against British immigrants as compared with immigrants from continental Europe. The department was not long in replying. The Toronto Star carried a long interview with F. C. Blair, assistant deputy minister of immigration, who according to the headline "exploded the charge that Britishers were being frozen out" and in the course of the article was quoted as in effect denying that there were any restrictions beyond what was necessary to protect the immigrant from exploitation.

* * *

OF COURSE, if there were no restrictions before, the new policy of Mr. Forke represents no change. But Mr. Blair was wrong; red-tape and bureaucratic methods effectively cramped British immigration. This indicates that Mr. Forke will have to go beyond his promise of encouraging British immigration. He will have to take his departmental machinery in hand, eliminate red tape and bureaucracy, and establish an effective unit for carrying out his announced policy without the entanglements of a superset of unnecessary regulations.

* * *

IF ONE may read between the lines of Mr. Forke's statement, one favorite prejudice of the department is to be thrown into the discard. The department has always acted as though it felt that the sundry immigration agencies operated in connection with the railways, churches, Salvation Army, etc., were unnecessary duplications of its own activities. Virtual non-co-operation with these agencies, in fact, open conflict with some of them, has been its practice if not its avowed policy.

* * *

PERHAPS after all an immigration policy is being worked out at Ottawa that will bring people in instead of closing every door in their faces. If Mr. Forke will give real leadership to Canada in the administration of the great activity that is under his immediate control he will win a place in Canada's economic history that no one will dispute. But even policies are not enough unless the immediate sequel of each announcement of policy is a change in practice to make the policy work. That is why we express the earnest hope that Mr. Forke will not stop at promising an unlimited flow of good British immigration but will over-haul his department so as to bring about the fulfilment of his promise.

* * *

THE recent annual meeting of the British Empire Steel Corporation was marked by both the National Trust and the Besco management claiming the credit for the betterment in the situation now surrounding the Dominion Iron and Steel Corporation. During the past year there is no doubt that manufacturing costs have been reduced at the plant and that an increasing number of orders for steel have been obtained. But for outside observers to apportion the credit for the betterment is impossible. It would require the work of many engineers.

The efforts of both groups in the National Trust-Besco tangle to obtain the credit for the betterment in the situation is more or less amusing after all is said and done, perhaps the fundamental reason for the improvement can be traced solely to the generally bettered business conditions prevailing in the Dominion. Probably some of the credit for the improved state of affairs can be divided between the Na-

ALBERTA FARMERS LIQUIDATE DEBTS BY BUMPER CROPS

Work of Government's Adjustment Service Justifies its Existence

MANY ESCAPE RUIN

Debtors Are Re-established on Land and Creditors Are Satisfied With Commission's Settlements

From Our Own Correspondent

EDMONTON.—One of the not inconsiderable benefits that will follow the big grain crop in Alberta will be the liquidation of a great amount of farmers' indebtedness and the re-establishment of many debtors whose business affairs have been in bad shape for some years past. This will mean, on the other side of the picture, that many bank, implement firm, and other accounts that have been carrying over for a corresponding period, and have long since been put on the bad-collection list, will be settled and closed. Thousands of dollars will be written off the books in this way, and scores of debtors and creditors alike will heave real sighs of relief.

In the process, aside from the actual harvesting of the grain, the major part will be taken by the debt adjustment service of the Alberta Government, a service that is unique among the governmental activities of any of the Canadian provinces. About 2,500 cases of farmer-debtors, by whom or for whom, financial adjustment is being sought, are now being dealt with, and there are good prospects for practically all of them reaching satisfactory settlements. Similar adjustments have been made in several hundred previous cases, during the past four years, but the number will be greatly increased this year as a result of economic conditions throughout the province. There will be more debt adjusting than ever before, but that will mean simply that good crops and consequently improved conditions among the farmers will make it possible for book debts of long standing to be squared off and the whole business structure eased accordingly.

Proceedings Under Act

Proceedings to this desirable end are taken under the terms of an act passed by the Alberta Legislature in 1923 explicitly for the purpose of providing actually resident farmer debtors with a means of settling their debts without recourse to the courts. The act applies to farmers only, theirs being the basic industry of the country, but inasmuch as their creditors are many and various, the entire business community shares in the effects and benefits of the adjustment

(Continued on page 13)

Toronto Exchange Adds Mining Section

November 14 saw the inauguration of the special mining section of the unlisted department of the Toronto Stock Exchange. A corner of the exchange floor has been roped off for these transactions and about twenty members are represented by specialists in the mining issues. Additional board facilities have been provided. The operations worked smoothly from the beginning. The photograph is of Avern Pardoe, Jr., who has been president of the Toronto Exchange for the past two years. In this time the trading in both the listed and unlisted departments has grown remarkably.

Asbestos Corporation Obtains Good Prices and Maintains Profits

Earnings for Present Year Will be About Same Level as Last

EUROPE GOOD BUYER

Judgment Rendered in Favor of Company Against Keasbey and Mattison is Sustained by Court of Appeal

From Our Own Correspondent

MONTREAL—Earnings of Asbestos Corporation for the present year will be on about the same level as those of last year. There is a good demand for the high grades of asbestos being received from Europe and prices are somewhat better than last year. Owing to changing weather conditions, operations during the first four months of the year were badly curtailed. The asbestos is mined in open pits and frequent snows, followed by thaws and freeze-ups, considerably hindered the work of getting out the ore. This has counterbalanced the betterment in prices.

The judgment rendered in favor of the Asbestos Corporation awarding it the right to claim both accounting and damages against the Keasbey and Mattison Asbestos Company has been sustained by the Court of Appeal, on the question of jurisdiction. This case arose over a contract whereby the Asbestos Corporation was to receive the surplus production of the Keasbey and Mattison Asbestos Company. The Asbestos Corporation claimed $400,000 as their share of the profits from surplus production, and damages.

Should Asbestos Corporation win out in its litigation, which will probably be carried to the highest court, the amount of money to which they will have claim will steadily increase with the improved demand for asbestos from year to year. This will be reflected in the annual earnings of the company, as it will prove a source of considerable additional revenue.

T. Eaton Co. Confirms Purchase in Saskatoon

Have Acquired MacMillan Store in That City

BUILD IN CALGARY

Admit They Are Buyers of Block in Alberta City, Where They Will Build

From Our Own Correspondent

WINNIPEG. — T. Eaton Co. have announced the purchase of the F. R. MacMillan store in Saskatoon. This follows the purchase from the city of Saskatoon of a site for a building. Eaton's will take over MacMillan's in a few days and expand the retail business of that centre. H. M. Tucker, general manager, also made an announcement that, beyond the Calgary purchase, where also a store will be built, the company does not anticipate making purchases in other Western points for the present.

T. Eaton Co. has been expanding in every part of Canada. These developments have been forecast from time to time in The Financial Post. It is apparently the intention of the company to have a chain of department stores covering every important city in the Dominion.

T. Eaton Co. now operates large department stores in Toronto, Montreal, Hamilton and Winnipeg. Saskatoon and Calgary have been definitely added to the list. There are groceterias in several additional cities in Western Canada and small men's furnishing and similar stores in Ontario centres. It is understood that the company has acquired a site in London, Ont., for a large department store.

Expansion of the company in these directions is said to be the result of changing merchandising conditions which have deprived the company's mail order business of much of its former magnitude and usefulness

Brazilian Traction May Reach Record in Earning Figures

Brazilian Traction common has risen to its record high of 210 in the last several days, after being comparatively inactive around 195 for some weeks. It is believed that the October earnings' figures, which will be available shortly, will show a remarkable gain in earnings over October of a year ago.

The earnings' figures in dollars have suffered by comparison with the corresponding months of a year ago, for the reason that the milreis was valued at from three to five cents higher throughout most of 1926. The October figures will be the first which can be compared with figures of a year ago, when exchange was stabilized at approximately twelve cents.

Much of the sustained strength of Brazilian is due to the general belief that the directors before the end of the calendar year will propose that the common shares be split four for one.

Nova Scotia Steel Plants Hum; Outlook is Brightest in Years

From Our Own Correspondent

SYDNEY, N. S.—For the first time since 1924 every one of the 2,600 men on the payroll of Sydney Steel plant is working full time six days a week. With a definite prospect that the mills will continue to operate on that basis for the rest of the winter. Last Friday a second blast furnace was lighted and delivered its first iron Sunday. All ten open hearths were then put to work turning out steel for the rail mill which went on double shift Monday. Other departments have expanded accordingly and the outlook for employment is the brightest in years due to accumulation of orders dug up by energetic agents of The National Trust.

The effect has been most cheering to local business and to employees, half of whom have been getting only two to three days a week for many months past. Dominion coal has ordered 30 50-ton capacity all steel gondolas (for economical handling of coal stone and picking belt refuse) from Eastern Car, New Glasgow, which is also building 15 snow plows for the C. N. R. and supplying home steel for the new Lord Nelson hotel, Halifax.

Abitibi Co. is Expected to Make Fair Offer for Spanish Preferred

T. B. Macaulay's Objections to Plan May be Met

SELLS AT HIGH FIGURE

Price in Market Does Not Reflect Possible Worry on the Part of Many Holders

From Our Own Correspondent

MONTREAL.—There was a fluttering in the dove-cotes of the Spanish River preferred shareholders when T. B. Macaulay, president of the Sun Life Assurance Company, gave an interview to the press in which he said that the absorption of Spanish River by the Abitibi Power and Paper Company under the proposed terms, contained a serious menace to the rights of the preferred shareholders of Spanish.

In his remarks regarding the present situation of the Spanish River preferred shareholders, Mr. Macaulay made several points. First, he said that had Spanish River remained an independent company, the preferred shareholders would have been assured that just as soon as the earnings justified it, the holders of the common stock would expect or press for an increase in the dividends. In any such increase, the preferred shareholders would naturally participate as the stock participates with the common after 7 per cent. on the junior security.

Then, he went on to say that the common shareholders, by exchanging their stock for Abitibi, would receive the equivalent of an increase of 1 per cent. per annum on the old stock, but that the preferred shareholders had no assurance that their dividend would also be increased in like manner.

Remedy for Situation

Mr. Macauley says the remedy for the situation is simple and that those putting through the deal should introduce a provision in the agreement whereby the holders of the preferred shares of Spanish River Company should at all times receive not less than the dividend to be declared on two shares of the new Abitibi stock.

In his public remarks, Mr. Macaulay contributes nothing new or original to the situation surrounding the preferred shares. All the points he has made are admitted by those interested in the deal. But if the position of the preferred shareholders of Spanish is really menaced, it would be natural that such a menace should be reflected in stock market prices.

Spanish preferred, though, is selling at a figure far in excess of the high during 1926, and far in excess of the high during the first six months of the current year. The stock is changing hands within a point or two of its high record price for all time. Thus, it can be said that to date, the forthcoming merger of the two companies has not injured Spanish River preferred shareholders and that buyers of the stock differ in their opinion of the situation from Mr. Macaulay. The stock market forecasts that the Span-

(Continued on page 5)

Announce Farmers' Dairy Split in Common Stock

Announcement has been made of the split in the common shares of Farmers' Dairy, Toronto, which recently was listed in the unlisted department of the Toronto stock exchange.

The split is ten shares of new for one of old. The existing shares have been changing hands around $230.

PRUDENTIAL TRUST FAILS TO INDICATE MATERIAL GROWTH

Shareholders Get Interim Injunction Preventing Call on Stock

Mr. Justice Coderre in superior court, Montreal, November 15, granted an interim injunction restraining the directors of Prudential Trust Co. from enforcing the 10 per cent. call on shareholders. It was this assessment which resulted in an attack on the management by a group of shareholders which includes a number of persons of prominence.

The legal action instituted by the dissenting group of shareholders is divided into three parts: A writ of quo warranto to oust and exclude the directors of Prudential Trust as not qualified; suit to annul the by-law requiring 50-share ownership as directors' qualification and to set aside the resolution calling for 10 per cent. of the stock, and, thirdly, an injunction to preserve the statu quo and to restrain the directors from putting the call into force.

Action is Threatened

Solicitors acting in behalf of the management under date of November 10 threatened The Financial Post with legal action, alleging libel, for a headline over an article which was published November 4. The headline read; "Attempt is made to oust directors of trust company." The solicitors of the management stated this headline was "untrue and printed carelessly and without justification or excuse."

The headline was based on this statement in the body of the article dealing with Prudential Trust: "The objective (of the dissenting shareholders' efforts) apparently is to oust the present management and to appoint a new board of directors."

The Financial Post readily can agree with the Prudential solicitors when they state that "a newspaper . . . . . should exercise the greatest care in the publication of news items." In this instance, moreover, events have proved that the headline complained of was accurate. Publication of the facts a week or more before their appearance in the daily press is evidence that The Financial Post is preserving its function to keep investors informed.

The reason for the dissatisfaction among some of the shareholders is not far to seek. A comparison of the company's balance sheets, as at the close of 1923 and at the close of last year, indicates that the present management, apparently has been able to make little progress, if any, during a three year period in which business has been decidedly good, and in which practically every Canadian corporation has materially strengthened its position.

During the last three years, the total assets of the Prudential Trust Co. fell off by some nine per cent.

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Exports Are Benefiting Brewers & Distillers

From Our Own Correspondent

VANCOUVER. — That Brewers & Distillers is a good stock to buy for a long hold, but the cream is off with $5 par stock selling at $17, is the opinion in local financial circles.

The company's financial position is excellent and steadily improving as its brands become more widely known and as it extends its export fields. But earning power is being discounted some distance ahead. The stock is expected to go on a 10 per cent. dividend basis early in 1928.

Very few shares are loose in Canada. Most trading in B. & D. is done in London, and it is believed here that an aroused buying interest in the Old Country, following a visit there by a director of the company who gave first hand information on the company's good prospects, caused the rise in the stock from around $10. No merger or sale of control is expected here.

Brantford Cordage to Show Lower Earnings in Last Year

It is expected that still further reduction in profits will be recorded by Brantford Cordage in the report for the year ended last August 31. The company in 1926 had net profits of $315,128 after depreciation and taxes, compared with $627,190 in the preceding year.

Earnings of all the binder twine manufacturers on this continent have receded materially in the last two years because of competition emanating from Europe, especially from Holland. There have been several cuts in prices to consumers, with the result that manufacturers on this continent, paying higher wages and without a protective tariff, have been forced to operate on extremely thin margins of profit.

In point of volume, Brantford Cordage is reported to have done the largest business in its history in the twelve months ended August 31st.

Exchange German Bonds

MONTREAL.—German Government bonds may be again handed to the Banque Canadienne Nationale to be exchanged into bonds of the new liquidation loan. The bonds which the holders should exchange as soon as possible include issues of the German government, and bonds of the following states: Prussia, Bavaria, Saxony, Wuerttemberg, Baden, Hessen, Mecklenburg-Schwerin, Oldenburg.

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Background of Canadian Business

By JOHN E. LANGDON, Business Editor, The Financial Post.

WEEKLY REVIEW OF CONDITIONS

Anticipate Industrial Profits at Same Level as in 1926

Large and Flexible Credit Supply Helps Stability

Manufacturing Operations Take on Greater Activity

Little Possibility of Protracted Decline in Next Half Year

Wholesale and Retail Trade Stronger in Most Sections

INDUSTRIAL profits in the aggregate will not be much larger in 1927 than they were in the preceding year, judging from present indications. This statement may seem contradictory in view of the apparent increase in volume production during the past ten months. On the other hand, while output and sales have been at or above last year's figures, the lower level of prices and keener competition for business practically precludes any appreciable increase in profits this year.

Fundamentals of the business situation are sound. The fact that industry has been able to maintain the high levels set up in 1926 is a distinctly encouraging sign. It is not to be expected that our industrial corporations can pile up large profits year after year. A process of settling down is necessary, not only to the benefit of the individual, but to industry as a whole. The majority of large organizations are in a strong financial position; reserves are large and working capital ample for all immediate needs. A repetition of last year's profits, therefore, should further enhance the strength of those organizations which have been moving along conservative though modern lines.

Credit Supply Large

One of the dominating factors in the present stability of business is the large and flexible credit supply available. Bank funds are larger now than they have been in many years; possibly larger than at any other time. The enormous interest in investments and the ready manner in which funds are forthcoming for the exploitation of the country's resources, are indicative of the easy money situation. Moreover, this generally healthy credit situation is reflected in instalment financing, about which there was considerable misgiving only a short time ago.

While it is true that certain major lines of activity have experienced minor recessions in the past month or two, it is now apparent that business will enter the New Year with a feeling of confidence little short of that prevailing at the beginning of the current year. There is little possibility of any protracted decline in view of the fact that consumption continues on so great a scale that it promises to require an increased output as there are no important stocks of goods to be worked off and merchants' inventories are only sufficient for immediate needs.

Steel Outlook Better

The record of iron and steel production makes a somewhat better showing than in 1926. In the past two months, however, operations have been curtailed, and output has fallen off. The decline is not serious, and apparently does not forecast any lessening of activity for the balance of the year, as reports of the past week indicate that the mills in the Maritimes and Central Canada now have sufficient orders on hand to keep them busy during the greater part of the winter.

Much of this new work originated with the railways, although industrial demand has not been backward. Building has kept up in a satisfactory manner, and with prospects of an open fall, construction values this year should be even better than they were last year, which had been the best since 1914. Moreover, the motor car industry has shown signs of increased activity, although output has not yet attained the levels reached in the earlier part of the year.

Uncertainty as regards the new Ford model has undoubtedly held back fall and winter programs of competitive companies. When the new model is put on the market, however, there should be a noticeable improvement in demand for automobiles as many thousands of potential buyers, who have been waiting to see what improvements will be made in the old Model T Ford, will come into the market.

Above 1926 Level

At the same time, industry is maintaining a level of production which, while below that of the second quarter of the current year, compares favorably with the corresponding period of 1926. Rubber factories have been operating at or near capacity for some time, both on account of domestic and foreign demands. The milling industry has taken on a new lease of life in the past two months. It is too early to determine whether the change is the result of more extensive buying or milling of the new crop for storage purposes. Boots and shoes production has been maintained, and textile plants have been more active.

Wholesale and retail business continues along satisfactory lines. The Maritimes, according to mercantile reports, are experiencing a considerable increase in trade and the tendency is toward expansion rather than contraction. Although conditions are not so promising in Quebec, business is fairly satisfactory. Ontario's trade is good in practically all urban centres, with the exception of Windsor. Seasonable goods are meeting with ready demand, and the outlook for the balance of the year is not unfavorable. Both wholesale and retail business in the West is much above average. Good crops and increased financial returns have stimulated all lines of trade, and the volume of buying is larger than it was a year ago.

Freight Movement Larger

In view of the healthy state of business, the record of car loadings of freight on the railways is a better one. The final record of the year will likely show an appreciable advance over 1926. With only seven more weeks to the end of the year, and already 100,000 cars in excess of last year's loadings, indications are that the 3,000,000 mark will be passed by the end of November.

It is noteworthy that so far weekly returns have been higher than those of last year, with the exception of twelve weeks, the decreases in each instance being of a minor nature. The slump during September was largely due to the late start of harvesting and consequent hold-up in the movement of grain to the seaboard. This decline is seasonal in nature.

Larger Exports Alberta Cattle to Japan Expected

Good prospects for the exportation of Alberta livestock to Japan now exist as a result of the visit of Captain T. Kawakami, of Yokohama, who has spent the past month looking into conditions in this province. Following the visit of H. A. Craig, deputy minister of agriculture, to the Orient two years ago, and the trial shipment of stock sent over at that time, the extensive interests in Japan which Captain Kawakami represents are interested in the importation of beef cattle for slaughter and beef and dairy cattle, horses and swine for breeding purposes, on a scale which will greatly increase the volume of Alberta's trade with the Far East, if the plans at present contemplated materialize.

Coast Tourist Traffic

Pacific coast tourist figures much in excess of the returns for the last two years both by rail and on the British Columbia coast steamship service of the Canadian Pacific Railway, are reported by N. S Desbrisay, general passenger agent for the company, who states that movements to and from Alaska are breaking all records while traffic at Banff, Lake Louise, the bungalow camps and Vancouver has been very heavy.

Canadian Business Indicators

Compiled weekly by The Financial Post

	Latest This Year	Latest Last Year	To Date This Year	To Date Last Year
Production—				
Pig iron, tons (Aug.)	63,234	58,780	517,844	496,876
Steel, tons (Aug.)	77,479	45,674	620,039	541,705
Newsprint, cwts. (Aug.)	180,187	162,545	.....	.....
Automobiles (Sept. 1)	11,262	16,953	161,553	172,300
Boots and shoes, pair (Aug.)	1,675,598	1,406,782	11,867,591	11,338,398
Flour, bbls. (July)	1,019,000	1,212,000	9,123,000	10,194,000
Construction—				
Contracts awarded (Oct.)	$47,135,400	$43,384,600	$352,009,100	$324,250,000
Building Permits (Sept. 1)	$14,410,212	$11,047,503	$142,019,530	$120,259,445
Labor—Employment index (Oct.)			109.0	105.2
Transportation—				
Car loadings (to Nov. 5)	85,387	83,797	2,837,641	2,725,090
C.P.R. gross (Sept.)	$22,125,397	$22,619,873	$194,526,889	$190,419,152
C.P.R. net (Sept)	5,021,526	5,507,972	25,653,594	28,557,848
C.N.R. gross (Sept.)	$17,053,124	$18,675,404	$139,183,035	$137,331,784
C.N.R. net (Sept.)	4,494,011	6,448,823	24,495,245	28,632,021
Population—				
Emigration (Aug.)	8,131	.....	89,637	.....
Immigration (July)	12,288	16,227	89,722	64,531
Trade (Sept.)—				
Imports	$91,802,777	$85,562,911	$816,388,700	$750,782,945
Exports	97,412,316	92,224,610	833,447,713	898,793,982
Imports of key products (Sept.)—				
Rubber, lbs.	4,188,202	.....(12 mos.)	57,466,383	46,532,373
Cotton, lbs.	4,814,195	.....(12 mos.)	144,458,639	134,195,972
Sugar, cwt.	769,362	.....(12 mos.)	10,483,174	10,948,619
Petroleum, gals.	91,864,726	.....(12 mos.)	811,386,320	631,245,536
Coke, tons	72,666	.....(12 mos.)	797,887	1,046,235
Exports of key products (Sept.)—				
Newsprint, cwt.	3,377,105	.....(12 mos.)	36,861,132	32,929,884
Automobiles, pass. (No.)	2,856	.....(12 mos.)	49,970	56,448
Wheat, bus.	14,070,866	.....(12 mos.)	257,417,522	264,461,152
Wheat Flour, bbl.	677,330	.....(12 mos.)	9,367,166	10,622,404
Finance—				
Failures, number (Sept.)	125	132	1,280	1,236
Failures, liabilities (Sept.)	$2,845,749	$2,497,610	$21,632,043	$21,119,370
Bank Debits (Sept.)	$2,843,933,991	$2,357,181,127	$24,156,870,155	$21,763,438,518
Bond sales (Oct.)	$98,601,905	$68,916,541	$507,652,204	$542,333,780
Stock prices index (Nov. 5)	.....	.....	486.8	212.9
Insurance sales (Sept.)	$35,000,000	$34,878,000	$360,500,000	$339,806,000
Wholesale prices (1913-100)—				
General index (Oct.)	.....	.....	152.4	151.3
Iron	.....	.....	142.2	145.1
Cotton	.....	.....	173.8	108.8
Grains	.....	.....	168.1	159.9
Cattle	.....	.....	116.3	96.3
Rubber	.....	.....	56.4	67.9

U.S. RECOGNIZES CANADA'S RIVALRY IN RUBBER MART

Canadian Exports Exceed American to Many Countries

Canada is a formidable competitor in the world market for certain rubber products. This fact is recognized not only by the United States, but other countries as well.

In the past year and a half, Canadian rubber companies have been experiencing an exceptionally large volume of business. Part of this has undoubtedly been due to the increasing number of automobiles in daily use and also in the equipment of motor vehicles for export.

Aside from this important phase of the industry, the manufacture of other products, either wholly or in part of rubber, has grown so tremendously of late years that Canadians as a whole have failed to take cognizance of its development.

Not so the United States. The department of commerce of that government has recently undertaken a survey of the world's markets of rubber products and its findings are of great interest to the trade in this country.

The following excerpt of a report on rubber goods exports from the United States, makes numerous references to competition from Canadian companies, which is enlightening:

Exports of canvas rubber-soled shoes, usually the outstanding item in the rubber footwear group, has for the past few months fallen below the export value of boots and shoes. However, the September value increased 27 per cent. as compared with August. Canada as a formidable competitor in the world market for canvas rubber-soled shoes is now well established. During 1926 our monthly export average was 492,000 pairs, against Canada's 416,000 pairs. Since May, 1927, Canadian exports have exceeded ours, with the result that the monthly Canadian average for the first nine months is 498,000 pairs—55,000 pairs more than the monthly average of the United States.

Canada has been exporting heavily into such markets as Denmark, shipping 258,988 pairs against our 74,009 pairs during the first six months of 1927. Canada also exceeds the United States in the exports to Austria, Belgium, France, Germany, the Netherlands, and Switzerland. Canadian exports to the Empire, naturally, surpass those of the United States. To South America, Canada during the first six months exported to Argentina 236,814 pairs against our 91,909 pairs. The Dominion also leads in Chile, Surinam, and Uruguay. However, in the Far East our exports exceed those from Canada to British India, the Straits Settlements, Ceylon, and China, but Canada excels in the Netherland East Indies and Japan.

New Brokerage House

Firm of Gray, Bashforth, Limited, investment bankers, has been organized in Toronto. Offices have been opened in the Temple Building. M. S. B. Gray has been in the general brokerage business for a number of years. M. F. J. Bashforth was formerly with Price, Waterhouse & Co., as a public accountant.

Business Conditions in United States

Business in the United States, during the week ended November 5, as indicated by the volume of cheque payments, was greater than in either the previous week or the same week of 1926, according to the weekly statement of the Department of Commerce. Wholesale prices were higher than in the preceding week, but were still below the level of a year ago. Prices for cotton averaged higher than in either prior period, while prices for iron and steel, although showing no change from the previous week, were substantially lower than in the same week of 1926. Receipts of cotton into sight were smaller than a year ago.

Loans and discounts of Federal reserve member banks were higher than in the preceding week, recording a substantial advance over a year ago as well. Prices of stocks listed on the New York Stock Exchange strengthened slightly as compared with the preceding week, being higher than in the corresponding period of 1926. Loans by Federal reserve member banks in New York City to brokers and dealers, secured by stocks and bonds, were higher than in either the preceding week or the corresponding week of last year. Interest rates on call money strengthened as compared with the previous week, but averaged lower than in the same week of a year ago. Bond prices showed no change from the previous week but were higher than last year. Interest rates on time money averaged lower than in either the previous week or the corresponding period of a year ago. The Federal reserve ratio was lower than in the previous week, but substantially above last year.

Production of bituminous coal during the week ended October 29 was smaller than in either the previous week or the same week of 1926. The output of lumber during the same week made similar comparisons with both prior periods. Beehive-coke output was smaller also than in either the previous week or the corresponding week of last year. Petroleum production continued to recede, but was still higher than during the same period a year earlier. Receipts of wheat at primary markets were substantially greater than a year ago. Cattle and hog receipts, however, were running smaller than last year.

Weekly Business Indicators

Relative numbers, average 1923-25—100

	1927 Oct. 29	1926 Oct. 30
Bituminous coal production	102.8	138.4
Lumber production	104.5	105.5
Beehive coke production	35.1	80.0
Petroleum production (daily average)	118.4	111.9
Freight car loadings	....	126.9
Building contracts (27 states)	252.9	146.4
Wheat receipts	176.6	118.0
Cotton receipts	293.8	328.1
Cattle receipts	133.5	149.4
Hog receipts	78.6	78.9
Price No. 2 wheat	....	100.7
Price cotton middling	75.4	46.7
Price iron and steel composite	85.8	92.2
Fisher's price index	93.3	96.5
Bank loans & discounts (total)	120.2	114.5
Debits to individual accounts	123.2	115.8
Interest rates, call money	84.8	109.1
Business failures	113.3	105.7
Stock prices	177.8	134.6
Bond prices	110.2	106.3
Interest rates, time money	102.9	111.4
Federal reserve ratio	97.2	95.0

Heavier Canal Traffic Aids Can. Steamship Lines

From Our Own Correspondent

MONTREAL.—While there was a marginal decline in the total freight tonnage passing through the Sault Ste. Marie canal during the month of October, yet in the Welland and in the St. Lawrence canals the total tonnage handled this year, up to the end of October, has been much larger than in 1926 or in 1925. All of which indicates that the Canadian Steamship Lines, which handles a large proportion of the trade, is experiencing satisfactory business conditions. Traffic to date through the Welland this year is already larger than during the entire 1925 season, in which the canal at that time handled a record tonnage. The tonnage handled in the St. Lawrence canals up to October 31 was also heavier than for the entire 1925 shipping season.

Chicago Buys Alberta Trout

A large shipment of salmon trout from Lake Athabaska to Chicago recently indicates a forward step in one of Alberta's growing industries. The Lake Athabasca Fisheries Limited has gone into the business of supplying the large markets of the United States with the popular product of Alberta lakes. A large plant and ice houses along with dwelling accommodation for fifty employees have been erected and plans are made for further enlarging the business as the market demands.

Timber Receipts Higher

British Columbia Crown timber receipts for October show an increase of $18,000 over the same month last year.

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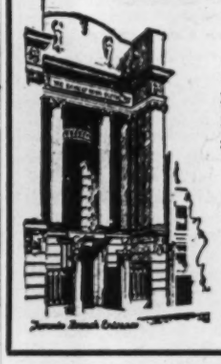
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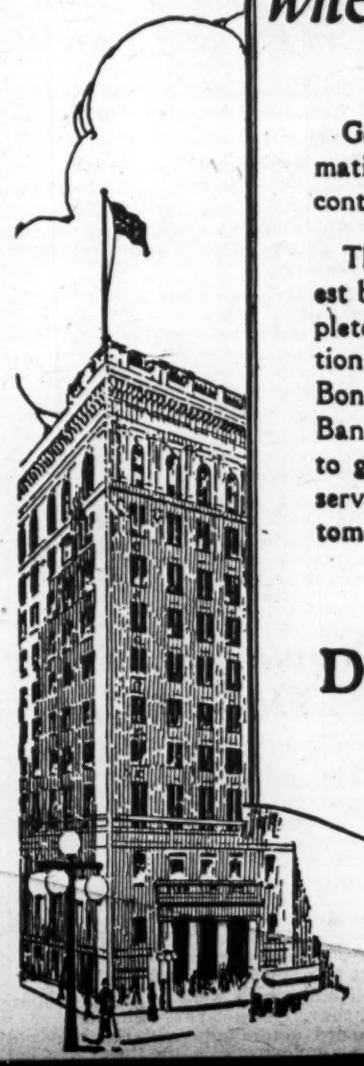
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SECOND LARGEST WHEAT CROP NOW FULLY EXPECTED

Alberta Records Biggest Grain Yield in Its History

Earlier forecasts of a grain crop worth in the neighborhood of $700,000,000 have been given added weight by the new estimate of yields, compiled by the Dominion Department of Agriculture.

According to this authority, the wheat crop of Canada this year will approximate 442,282,000 bushels, as compared with the final figures of 409,811,000 bushels in 1926.

Estimate is based on conditions at the end of October and returns from threshing completed to that date. This has allowed a more accurate estimate to be made than in September of damage sustained from hail, rust and frost.

Loss from these three sources has been considerable in both Manitoba and Saskatchewan, wheat having been affected in both provinces, while oat rust has been very prevalent in Manitoba. The oat crop in the latter province had turned out to be one of the poorest on record. On the other hand, still higher yields are reported for wheat and oats from the Province of Alberta than previously. For Canada as a whole, the wheat crop is the second largest on record.

Yields Are Higher

The total yields for Canada of the principal grain crops are estimated provisionally in bushels, with last year's final figures, as follows:

	1926	1927
Wheat, all	409,811,000	444,282,000
Oats	383,419,000	452,421,000
Barley	99,684,100	98,242,000
Rye, all	12,113,900	16,070,500
Peas	2,635,000	2,779,000
Beans	1,159,500	1,090,800
Buckwheat	9,932,300	11,016,000
Mixed grains	34,559,000	34,707,000
Flaxseed	5,947,700	4,735,200
Corn for husking	7,815,000	4,355,000

Certain revisions have had to be made in the September estimate, but, on the whole, they are not of the first rank. The wheat yield of the Prairie Provinces is now placed at 418,992,000 bushels, an increase of about 35,500,000 bushels over last year. The oat yield is up from 220,453,000 bushels in 1926 to 285,430,000 bushels; barley down from 81,614,000 to 78,268,000; rye up from 10,326,000 to 14,318,500; and flaxseed off from 5,831,000 to 4,624,200.

Manitoba Crop Light

The comparative grain failure in Manitoba, is well illustrated by the Government's estimate of yields. Returns from wheat in that province are now placed at 31,507,000 bushels. This is a considerable reduction from last year's figure of 51,677,000 bushels. Other grain yields have declined in proportion, as will be seen from the following: oats, 25,465,000, compared with 52,517,000; barley, 37,700,000, as against 50,808,000; rye, 2,462,500 and 3,586,000; and flaxseed, 1,240,300, compared with 2,043,000.

Generally speaking, grain yields of Saskatchewan are about the same as in 1926. The difference one way or the other is very slight. The wheat yield at the end of October was estimated at 208,966,000 bushels, a decline from the 218,643,000 bushels of last year. Oats is up from 110,726,000 to 144,732,000 bushels. Other yields, together with comparative figures, are: barley, 26,295,000, compared with 21,896,000; rye, 7,905,000, as against 5,396,000; flaxseed, 3,208,000 and 3,706,000.

Alberta's Year

This is Alberta's year in every respect. Abundant rainfall, good growing conditions, absence of insects and only minor damage from rust and hail, all have resulted in a wonderful crop. The yield of wheat is estimated at 178,519,000 bushels, over 65,000,000 in excess of last year's final returns. Oats are up 58,000,000 bushels to 115,233,000 bushels; barley, 14,273,000, or nearly 70 per cent. greater than in 1926; rye, 3,951,000, as compared with 1,344,000 bushels in 1926; and flaxseed 175,900 bushels, over double last year's crop.

The situation in respect to the other provinces is encouraging. Grain yields in Prince Edward Island and Nova Scotia will be less than last year, in the main. New Brunswick, on the other hand, promises to have a larger crop, particularly in oats, which is the principal grain grown in that province. Six of the ten leading grain crops in Quebec will likely show an increased yield, while decreases in the other classes are small and unimportant. All of the leading field crops in Ontario, with the exception of corn for husking, will show larger yields than last year. Mixed grains is the only field crop in British Columbia to show a smaller yield than in 1926.

Electric Street Railway Operators Believe Good Times Ahead for Them

Competition from Other Modes of Transportation Generally Offset, and Deficits of Past Few Years Have Been Steadily Lowered

Canada's transportation bill in 1925 amounted to $428,000,000. Of this sum, the electric railways received $45,000,000 according to a report of the Canadian Electric Railway. Association. Steam railroads received $78,000,000 spent on passenger transportation; and the balance of $305,000,000 was expended on automobiles. The latter figure was estimated, but contains figures taken from official reports as far as possible for such as gasoline consumption, licenses, money paid for automobiles, total registrations and number of taxis in operation. Depreciation for automobiles is also included; but insurance and injuries and damages for the automobile user were not included.

In spite of the increased use of automobile and the motor bus, passenger revenue, on city systems particularly, continues to increase, which would indicate that the automobile is being used chiefly for pleasure riding. The street railway traffic continues on the upward trend, being the only solution for the handling of mass transportation.

Reach Peak in 1922

A peak in electric railway revenue was reached in 1922 at 40.5 cents a car per mile, and there has been a falling off of 1½ cents since that time, due, it is thought, to temporary business conditions which have already improved. Revenue per car per mile increased 122.9 per cent. from 1901 to 1925, and operating expenses per mile have increased 182 per cent. in the same time. The cost of construction has gone up in about the same proportion as operating expenses and the cost of money has increased 25 per cent.

The following table presents the passenger revenue and operating expenses per mile of single track, together with operating ratios for the corresponding year.

	Pass. Rev. per mile of single track	Oper. Exp. per mile of single track	Operating ratio
1900	$ 8,192	$ 5,237	63.92
1905	11,265	7,463	66.25
1910	11,660	7,319	62.77
1915	12,211	8,622	70.61
1920	17,832	15,757	88.36
1925	17,616	13,811	78.40

Bus Growth Important

One of the most interesting developments in Canadian transportation methods in the past decade, has been the remarkable growth in the use of motor buses, not only by private operators, but also by electric railway systems either independently, or as a feeder of present lines. An important field for their use is in outlying districts which have not yet developed sufficient traffic to justify extensions of tracks and distribution system.

In 1921, for example, electric railways in Canada had in operation only 9 buses. The following year saw 27 buses in operation. Since that time there has been a steady growth, the most recent figures, those for 1926, showing 202 in operation.

There is a trend toward the absorption of small independent bus lines by the larger companies; many of these lines running on suburban services have been carrying passengers to the centre of the cities and to some extent depriving the street railways of their patronage.

In addition, there has been some development of sight-seeing service and "de-luxe" service, both urban and interurban; and the favorable publicity given these services has resulted in a large amount of local business and also in a profitable tourist business, many of the tourists preferring to travel by this means rather than take their own cars.

Definite Loss of Traffic

As regards the effect of private automobile use on electric railway traffic, the Canadian Electric Railway Association has made a close investigation into this problem and its findings are of more than ordinary interest to investors in electric railways.

The definite volume of traffic that this new agency of modern transportation has attached to itself is, for the most part, pleasure riding formerly carried by street cars on Sundays, holidays and in the evenings after working hours, and can now be regarded as permanently lost to the railways. The indications are that this loss has about reached its maximum which the electric railways are likely to sustain from this source.

Investment Grows

The investment interest in Canadian electric railways has grown in a normal manner during the past twenty-five years. In 1901, only $40,553,170 was invested, which grew to an investment of $221,769,220 in 1925.

There are occasional failures going into the hands of the receiver, or electric railway services being superseded by motor bus service; but they have not been of sufficient magnitude to affect the industry very much as a whole.

Profits on electric railways have not been very great in recent years, but the most recent figures available are more encouraging, 1926 showing a deficit on all electric railways in Canada of $275,261, as against a deficit of $1,294,520 for 1925.

BREWERIES STOCK FORGING UPWARD AS PROFITS GROW

But Forecast of $10 a Share Earnings is Called Optimistic

From Our Own Correspondent

MONTREAL. — That the steady rise in the shares of the National Breweries over the past few months has been entirely due to the improving position of the company is indicated by the fact that despite the quietness and the recession in the market during the past week, the shares of "Breweries" forged up to new high levels. The strength in the share is due, of course, to the increasing profits. If the management should decide to increase the $4 dividend to $5 or $6 a share next year, the present price of National Breweries will look cheap as compared to other common stocks of a similar character. It has been said that the rise in the shares has been due to manipulation through the operations of a pool—but the action of the stock indicates that while a pool may have been in operation, yet its strength is due to other, and as far as the shareholders are concerned, more satisfactory causes.

One rumor regarding National Breweries indicated that after a liberal allowance for depreciation the company would show this year the equivalent of $10 a share on its common stock. But earnings on the common last year amounted to just under $5 a share, and more conservative opinion feels that the $10 estimate is somewhat optimistic.

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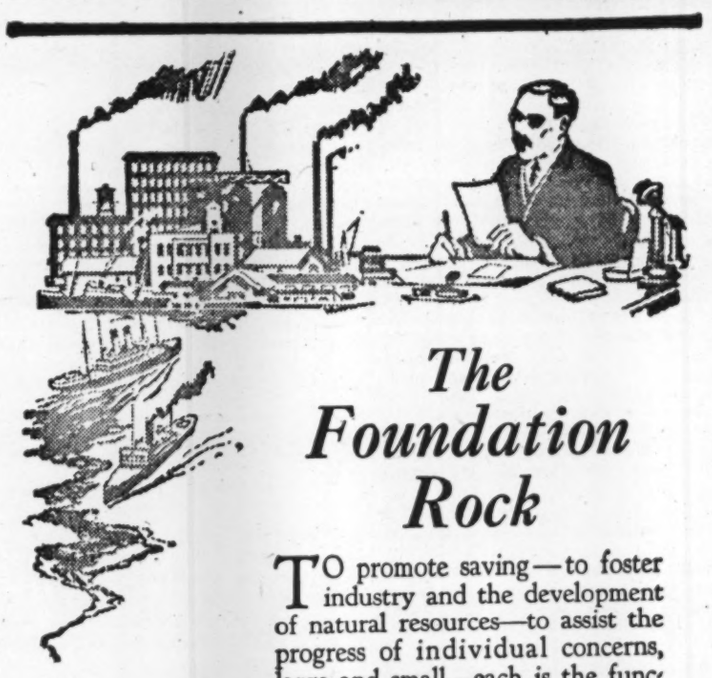

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DOMINION BRIDGE HAS GOOD FUTURE, IS GENERAL OPINION

Believed Company Will Pay $3. Per Share Annually and Bonuses

From Our Own Correspondent

MONTREAL.—Trading has begun in the new no par value shares of the Dominion Bridge Company's stock. The new stock changed hands at $57 and quickly sold up to $60. As the stock was split five for one, there are now outstanding 325,000 shares of no par value as compared with an old common stock capitalization of 65,000 shares of $100 par value. During the current years, the shares of the bridge company have shown an appreciation of 200 per cent., for at the beginning of 1927, the stock sold at par and a price of $60 for the new stock is equivalent to a price of $300 for the old.

Those who are optimistic regarding the future of the new shares, feel that the tendency toward large buildings and the big construction orders which the company has in hand, will maintain an excellent demand for the new shares.

What dividend the new shares of the Dominion Bridge will bear has not been announced, but those close to the company believe that it will pay $3 a share annually and that in addition bonuses from time to time may be anticipated.

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Stock Market

MARKET INDICATOR

20 Industrial Stocks	High	Low
Week of Nov. 16	126.3	120.8
Week of Nov. 9	123.4	120.6
Month of Nov., 1926	89.6	83.1
9 Bank Stocks		
Week of Nov. 16	$277	$270
Week of Nov. 9	272	266
Month of Nov., 1926	226	222
10 Public Utilities		
Week of Nov. 16	$108	$104
Week of Nov. 9	106	104
Month of Nov., 1926	88	85

WEEK'S GAINS AND LOSSES

	Gains	Losses	Unch.	Total
Banks	7	2	—	9
Paper	8	5	2	15
Steel	11	6	21	38
Foodstuffs	23	12	11	46
Utilities	9	6	12	27
Tractions	4	3	9	16
Textiles	1	5	11	17
Industrials	25	28	23	76
Total	88	67	89	244

Inter. Paper Expands in Hydro-Electric Field

MONTREAL.—The International Paper Company's expansion in the hydro-electric field in the United States continues. Work has begun already on a power site at Kent's Falls, on the Saranac River, N. Y. It will be in operation next summer producing 8,000 horsepower. Space will be provided in the new plant for the eventual installation of a third 4,000 horsepower unit.

Near Kent's Falls the company has already in operation a 3,000 horsepower hydro-electric plant. The two plants will be interconnected and power will be supplied to distributing companies in the territory surrounding Plattsburg, N. Y.

TRAIL SMELTER RECEIPTS

Ore receipts at Trail Smelter from 1st November to 7th November, 1927, inclusive, and from 1st January, 1927, to date, in tons:

Company's mines	9,404	365,699
Other mines	2,780	129,098
	12,184	494,797

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An appraisal is only as reliable as the reputation of the firm that makes it. Laymen may make appraisals based upon general judgment, opinions, instinct or actually to conform to a requested figure.

Sterling appraisals are based solely upon expert technical valuation by Architects, Engineers, Real Estate Appraisers and Cost Accountants. Such an appraisal is the investor's surest guarantee of the value of fixed assets.

Inquiries invited—References given.

STERLING APPRAISAL CO., LIMITED
9 Wellington East, Toronto. Phone Elgin 5244.

CANNERS' OFFER MAY GIVE SURPRISE TO SHAREHOLDERS

Full $1 Dividend on New Second Preferred Will Not be Required

COMMON IS BENEFITED

Revision of Capital Structure Should be in Interest of Those Concerned in Stock

When holders of Canadian Canners preferred receive their notes of proposed revision in the capital structure in the next week or two, it may be discovered with some surprise that the directors will not be required to pay the full $1 dividend on the new second preferred before there are any dividends on the common.

It is proposed that the dividend on the new second-preferred stock shall be fully a preference dividend only up to 60 cents and that, after 60 cents, the ratio of second-preferred and common dividends shall be five to two.

Variety of Views

There may be a variety of views on this point. The provisions of the existing preferred stock are that dividends "are required to be set aside before any dividends on the common stock may be declared or paid or set aside and such dividends are cumulative." Half the holdings safeguarded by this clause are to be converted into second-preferred shares and it is proposed to enable the directors to pay dividends on the common before the $1 non-cumulative dividend on the new second preferred is paid in full.

The proposal to permit common shares to receive certain dividends before second-preferred shares receive their full dividend on the ground that the common holders are giving up certain rights by the new arrangement. About $6 additional is placed ahead of the common in claims on assets, but it is pointed out that, this $6 would be created in three years in any event, unless the full 7 per cent. were paid on the old preferred stock. Interest on accumulated dividends not paid to preferred shareholders is an asset which accrues to the common stock, it is argued, and that the elimination of the arrears wipes out this asset in future.

Future Dividend Payments

An explanation which can be demonstrated on paper and which is more satisfactory, for this reason and others, is that, under the delicately-balanced scheme of future dividend payments, the new common shares will have to be on a $2 basis before payments will be equivalent to payments on the new preferred plus the new second-preferred. A $2 basis would be equivalent to 12 per cent. on the present common. Payments totalling 12 per cent. on the present common appear to be so remote as not to be considered.

Although some objections may be voiced to a plan which apparently enables the directors to pay a dividend on the common before a full dividend has been paid on the preferred, it is likely that the proposal advanced under the auspices of interests which are large holders of both classes of stock, will be accepted.

On the whole, it may be expected that the revision of the capital structure carried out on the lines proposed will be in the interest of all those shareholders who are interested in the stock from the point of view of the market. Apparently there are few owners of the preferred stock who have looked on it as an investment stock. It never is included in investment lists, because of the accumulation of arrears. The new preferred stock should achieve the distinction of being classed as a good investment in the preferred-stock class.

The present common stock, which is to be split six for one, has advanced nine or ten points since the announcement of the proposed change, while the preferred stock has been steady in the vicinity of 110 after having sold up to 118½ on unfounded rumors as to the nature of the proposed changes.

Price Level

The question as to the probable price level of the new common stock, and the convertible preferred, may be determined largely by the condition of the general market. Judging by the present action of the stock, it probably will come out at between 14 and 16.

Common stocks of comparable earning power and position in the market all have been selling at higher levels than 20. Of 20 common stocks selling under 50 on the Canadian market, only one was selling under 20. That one stock was British Columbia Fishing & Packing.

A comparison with the common stock of Massey-Harris Co., which is selling around 35 and has sold to 42¾, would fix the price of Canners common at $15 if the earnings were $1 the share. It is said that the earnings will be somewhat in excess of $1.

Laurentide Forms Additional Company

MONTREAL.—In connection with the recent purchases of various companies in the Ottawa valley made by the Laurentide Company, it is interesting to note that a new company known as the Laurentide-Ottawa Company, has been formed, according to the current issue of the Canada Gazette.

The capital of the company will consist of one thousand shares of no par value. The head office will be in Montreal.

CALGARY OIL CLOSE

E. A. Pierce & Co., Toronto, received the following quotations on the close of Calgary oil stock trading on Wednesday: Advance, 18; Alberta P. C., 23; Dalhousie, 142½; Illinois, Alta, 33; McDougall, new, 60; McLeod, 130; Okalta pfd, 35; Royalite, 31.50.

Announcement

We Will Purchase

LAURENTIAN POWER COMPANY LIMITED

6% First Mortgage Bonds

maturing 1936 at

110 and accrued interest

We will appreciate the opportunity of submitting a list of conservative securities for the re-investment of funds to be received from the sale of this issue.

We recommend immediate re-employment of proceeds in order to avoid loss of interest.

Otherwise, holders may forward their bonds to us through their bankers attached to demand draft, or by registered mail and we will remit at once by cheque.

NESBITT, THOMSON & COMPANY
LIMITED
Royal Bank Building, TORONTO, 2
Montreal Quebec Ottawa Hamilton London, Ont.
Winnipeg Saskatoon Vancouver

619

STEEL COMMON RISES ON RUMOR OFFER IS MADE

Diversity of Products, Good Management, Aid in Progress

Common shares of Steel Company of Canada have been advancing rapidly in the last week on rumors that a cash offer had been made for the company by interests which eventually might be concerned with amalgamation of Maritime steel and coal properties.

Whether or not there is any truth in this report, the long-term outlook for the stock is considered good. Analysis of the company's balance sheet reveals a stronger position than was revealed in the balance sheet of Canada Cement Co. at the time it was purchased for $250 the share.

Steel Company of Canada is regarded highly because of the diversity of its products, the excellence of its management, the conservatism of its financing and the proximity of its plants to the principal markets in Eastern Canada. It is believed that the company must continue to progress so long as nothing occurs to interfere seriously with the prosperity of the country.

It has been intimated that offers to purchase are not likely to be considered on the ground that combined operations under present conditions probably would be in the better interest of all classes of shareholders.

View in Montreal

MONTREAL.—The latest rumor regarding the Steel Company of Canada indicated that a prominent Toronto investment house was to purchase the property and that shortly, without any change in the management, the company would be refinanced by a new bond and stock issue somewhat along the lines of the recent Canada Cement deal.

The Financial Post understands that there is no truth in these and similar rumors which can only be accounted for by the fact that the recent rise and fall in the shares left many holders with stock bought at a figure above the present market level. It may well be that the wish is the father of the thought and that present efforts to increase the price of the shares are based, not on the improving position of the company, but solely on the idea of selling stock which at present prices show a loss to the holder.

Traymore Business Now Totals Million and Quarter

It was stated inadvertently in an advertisement of Gairdner & Co., published in the November 11th issue of The Financial Post, that last year's volume of business of Traymore cafeterias was one quarter of a million dollars.

Traymore's business volume was five times this sum—or more than $1,250,000 in the last fiscal year, and it is stated that the current year will show a satisfactory increase in earnings for the restaurants in Montreal and Toronto.

Newsprint Industry is on Upward Turn and Less Depressing

Statistics Show Trend in Canada is Toward Increased Scale of Operations — October Production from Dominion Mills Exceeds September's Returns

From Our Own Correspondent

MONTREAL.—The statistical figures on the newsprint industry compiled by the Newsprint Service Bureau show that the trend in the Canadian industry is toward an increased scale of operation—a satisfactory situation in view of the more or less depressing period which the industry experienced during the past summer. Production of the Canadian mills during the month of October totalled 191,171 tons as compared with 178,815 tons in September and about the same figure during the month of August.

Perhaps the most satisfactory point about the figures, though, is that the scale of activities in the Canadian mills increased during the month and that of the U. S. mills declined substantially. In August the Canadian mills operated at 81 per cent., in September at 84 per cent. and in October at over 86 per cent. capacity. During the same three months the scale of operations in the U. S. mills declined from 82 per cent. to 76.9 per cent. capacity. The output of the U. S. mills for the first ten months of the current year is materially below the 1926 figures and is practically at the same level as in 1923, 1924 and 1925.

While the expansion of the newsprint industry on this continent has resulted in an installed capacity of newsprint machines in the mills in excess of the current demand, yet another factor in the hesitancy in the newsprint market this year has been the fact that there has been practically no increase in the consumption. This can be seen by a comparison of the North American production figures over the first ten months of this year and in the first ten months of 1926. To the end of October this year, the North American mills produced 3,140,066 tons as compared with 3,112,924 tons in the same period last year. Coupled with the increased output of the Canadian mills, it is also satisfactory to see that there has been a marginal decline in the stocks of newsprint on hand at the mills. More than a minor factor in the newsprint situation is the increasing output of Newfoundland, which to date this year has produced 167,434 tons as compared with 151,102 tons a year ago. During October, this Dominion's output amounted to 17,049 tons, which, while not comparable to the Canadian output in the same month of 101,171 tons, yet fills a demand which otherwise would be supplied by Canadian or U. S. mills.

SUBSTANTIAL GAIN NOW ANTICIPATED BY HOWARD SMITH

Profits Applicable to Common Stock Likely to be $9 per Share

From Our Own Correspondent

MONTREAL.—Profits of the Howard Smith Paper Mills for the current year are running at levels materially higher than they have been since 1920. On the actual results experienced during the first ten months of the current year, it is estimated that earnings after bond interest, but before depreciation, will amount to at least $572,000 for the full 1927 year. This figure compares with profits after bond interest last year of $509,672.

As the company has allowed $100,000 for depreciation during the past three years, it is thus possible to form an accurate estimate of what earnings on the common stock will be during 1927. After deducting a $100,000 allowance for depreciation from the anticipated profits and after deducting dividends on the preferred shares, the profits this year applicable to the common stock will amount to about $9 per share, as compared with $7.62 last year. This figure of earnings on the common has not been exceeded during the past five years. Of course, in the inflated 1920-1921 years, the company earned $14 and $9, respectively, each year on its common stock.

Sues Lake St. John Paper for Large Sum

MONTREAL.—The Lake St. John Power and Paper Co., and its president, E. A. Wallberg, are being sued for $1,200,000 by Charles E. Campbell, newspaper proprietor of Edmonton. Mr. Campbell alleges that in 1926 he made a verbal agreement with Mr. Wallberg to receive a commission for the sale of newsprint and that on this understanding he introduced Mr. Wallberg to Lester J. Clarke.

As a result of this introduction, it is claimed, the Lake St. John Power and Paper Co. sold the Newspaper and Magazine Corp. of New York 60,000 tons of newsprint annually, the agreement being for ten years, commencing last December. The plaintiff claims the amount involved in the sale is $40,000,000, and asks a three per cent. sales commission. The Lake St. John Power and Paper Co. plead ignorance of any contract, verbal or otherwise, and deny any knowledge of any commission on such sales. The company says that the sale of its output was not a result of Mr. Campbell's activities.

MUIRHEAD'S STOCK IS THOUGHT GOOD BY TORONTONIANS

Preferred of Greater Attraction Than Common—Convertible Up to Mar., 1929

One of the lower price stocks on the Toronto exchange which has been the subject of quiet accumulation in recent weeks has been the common of Muirhead's Cafeterias, Ltd. The preferred stock is of even greater attraction for the reason that it is convertible into common on a share-for-share basis up to March 1, 1929, or on the basis of five shares of common for four preferred until March 1, 1928.

No recent earnings statement has been published by the company, but on the basis of number of patrons and average size of checks it is calculated that the earnings per share on 28,000 shares of common stock will be in the neighborhood of $1.25 the share. Generally, stock in a company in this line of business sells at from fifteen to twenty times its earnings per share. Admitting certain disadvantages in this company (the localized character of its business being one), it is believed that the prevailing price of below $1 per share is attractive from a speculative point of view.

1,200,000 Meals

More than 1,200,000 trays with varying amounts of food on them will be carried away from the serving counters of Muirhead's in the current fiscal year. The average size of the patron's check is about fifty cents, so that an estimate of $600,000 gross revenue is conservative. Sales costs, including operating expenses, in the last two years have been between 84 and 86 per cent. of gross revenue, but it is believed that these will be less in the current year because of the great efficiency of the Adelaide street cafeteria which has been in operation for about eight months. On the basis of 85 per cent. operating cost, the net earnings will be in the neighborhood of $90,000.

Last year, the company wrote off $13,000 by way of depreciation and $3,000 for organization expenses. Allowing $20,000 for these two items, the net surplus for the year will be about $70,000, compared with $55,264 in the previous year.

Dividends on preferred stock will require $26,250, income tax will take about $5,000 and preferred stock redemption fund will require $4,375, leaving approximately $34,000 applicable for dividends on the stock as at the time of organization.

Conversion is Rapid

There has been a fairly rapid conversion of preference shares into common shares. This development will tend to increase the number of outstanding shares until such time as the conversion privilege is on a share-for-share basis. But conversion automatically reduces preferred-dividend and sinking-fund requirements. The preferred stock is of $10 par value and is 7½ per cent. cumulative. The total outstanding preferred was 35,001 shares at the time of organization of the company two years ago. The sinking fund is 10 per cent. annually of the net earnings after payment of preferred dividends.

The company, which now has been in operation about nineteen months, having taken over the business developed over 25 years by R. J. Muirhead, is making definite progress and the outlook for the holder of the stock is bright. The three restaurants are located in districts which have proved suitable, the restaurant equipment in thoroughly modern and efficient, the management is experienced, capable and aggressive and the restaurants hold a large measure of goodwill. Although the opening of additional restaurants at the moment is not contemplated, it is believed that means can be adopted successfully to add to the earnings of the existing properties.

The latest available balance sheet of the company, for the year ended February 28, 1927, shows current assets of $81,379 and current liabilities of $49,974. There are no bank loans and it is reported that the current position in the last several months has been bettered materially. Leases, trade name and goodwill are carried at $150,000. The properties are shown at $348,346 less depreciation.

ABITIBI CO. EXPECTED TO MAKE GOOD OFFER FOR SPANISH PREFERRED

(Continued from page 1)

ish preferred shareholders will be dealt with adequately in due course. Moreover, George H. Mead, the chairman of the board, of the enlarged Abitibi Company, to quote his own words, has definitely promised that the offer about to be made to the Spanish preferred: "Will prove entirely acceptable to the shareholders."

Confidence of Investors

Coupled with, and strengthening this promise is the record of the boards of directors of both Abitibi and Spanish. The members of both boards, because of an honorable record of many years' duration, have gained the well-deserved confidence of the investing public.

To put it briefly, investors in Spanish preferred can be certain that they will receive an eminently fair offer of new stock in exchange for their present holdings. The exchange will afford a satisfactory participation in the earnings of the new merger company.

Mr. Macaulay has said though that the preferred shareholders are entitled to exactly the same dividend returns as the common shareholders of Spanish will obtain by exchanging their shares two for one for the new Abitibi stock.

This, perhaps, is open to question for the participating rights of the Spanish River preferred shareholders are confined only to an equal participation in the earnings of the assets of Spanish River after the common shareholders in those mills have received 7 per cent. It may well be, therefore, that the preferred shareholders of Spanish are not legally entitled to obtain any benefit from the increasing earnings of the other component companies, such as Abitibi. In any event, there is no doubt that, when the exchange offer is ultimately made to the holders of Spanish preferred, they will obtain a participation in the increasing earnings of all the component companies of the merger.

Early Offer Expected

It is not to be forgotten that as yet the common shareholders of Spanish River do not benefit from the merger. Provided the deal goes through and the Spanish common shareholders exchange their stock for new Abitibi stock, they will receive $8 per share on their old holdings, dating from the first of the coming year. From the information which The Financial Post has obtained, there seems to be no doubt whatever that, after the merger has been confirmed by the Spanish River common shareholders, an offer immediately will be made to the Spanish preferred. Thus, Spanish preferred shareholders can expect an offer early in the new year. It may well be that they also will participate in the earnings dating from January 1, 1928.

In concluding his statement to the press, Mr. Macaulay said: "Under the present arrangement when the legal value of participation rights will have been destroyed, the preferred stockholders (of Spanish River) will have to gratefully accept whatever terms may be offered them, even though these terms be the very ones which formerly they rejected in disdain."

In this, Mr. Macaulay holds a view which differs radically from the situation as expressed in the present buoyant market price at which the shares change hands.

Moreover, since Mr. Macaulay issued his statement, the stock has advanced, which indicates the confidence of the shareholders has not been shaken.

Regarding the ability of the new Abitibi Company to initiate and maintain the $4 dividend on the new stock, it has been figured out on a basis of operations amounting to only 70 per cent. of the rated capacity of the mills, that sufficient profits will be made to take care of liberal allowances for reserves and to meet the $4 dividends.

Scale of Operations

The figure of 70 per cent. appears to be conservative, for the scale of operations at the Canadian mills, during this autumn has steadily increased, and during the month of October the Canadian newsprint mills operated at over 86 per cent. capacity.

In the meantime, criticism of the position of the Spanish preferred shareholders is bootless and will remain so until the exchange of stock offer is actually made to these stockholders within the next month or two.

Unlisted Stocks

These prices are mostly as at November 15, and while obtained from reliable sources, cannot be guaranteed.

Industrial Stocks

	Bid	Asked
A. W. Chase, com.	$ 2.00	$ 5.00
A. W. Chase, pref.	59.00	64.00
Border Cities pfd., bonus com.	31.00	38.00
Bowles Lunch, com.	115.00	....
Brandram Henderson, Com.	18.00	22.00
Brandram Henderson Pref.	77.00	82.00
Brantford Roofing	97.00	....
Brooks Steam Motor Uints	3.00	4.00
Canada Machinery, com.	6.00	9.00
Canadian Machinery, pref.	25.00	30.00
Can. Paperboard Pref.	90.00	....
Canadian Westinghouse	200.00	225.00
Caulfields Dairy, com.	25.00	30.00
Caulfields Dairy, Pref.	90.00	95.00
Copeland Flour Mills, pref.	19.00	....
Dom. Alloy, pref. bonus com.	1.50	3.50
Dom. Foundries & Steel, com.	2.50	4.00
Dom. Foundries & Steel Pref.	22.00	....
Dom. Linens, pref.	16.00	22.00
Dom. Manufacturers, com.	6.50	12.00
Dom. Manufacturers, pref.	65.00	....
Dom. Power, com.	31.50	36.00
Dom. Power, pref.	101.25	103.00
Dom Sewer Pipe, com.	58.00	62.00
Dom. Sugar, com.	20.00	25.00
Dom. Sugar, pref.	94.00	99.00
Dunlop Tire, pref.	99.25	102.00
Durant of Canada	2.50	3.50
Farmers Dairy, com.	225.00	250.00
Farmers Dairy, pref.	105.00	110.00
Gillett, E. W.	64.00	....
Goodyear Cotton, 7% pref.	97.50	101.00
Gotfredson Truck, com.	13.50	20.00
Greening Wire Pref.	96.75	99.00
Guardian Realty, Pref.	60.00	65.00
Hamilton United, pref.	73.00	80.00
Huethers Brewing, pref.	2.00	5.00
King Edward Hotel "A"	81.50	83.00
King Edward Hotel "B"	80.00	82.00
Kingston Ship-Building Pref.	17.50	....
Loew's Buffalo Pref.	25.00	33.00
Loew's London, com.	5.50	6.00
Loew's London, pref.	7.75	8.25
Loew's Mansfield, pref.	72.00	....
Milton Brick Co.	14.00	19.00
National Grocers 1st Pref. Ex. Div.	99.00	....
National Steel Car, com.	36.00	37.00
Nova Scotia Tramways	2.00	....
Nova Scotia Tramways, Pref.	20.00	....
Palace Thea. (Montreal) Pfd.	51.00	56.00
Pure Food Com.	25.00	28.00
Simpson, Robt., pref.	100.50	102.50

Insurance

	Bid	Asked
British America	42	....
Canadian Fire, Full Pd.	112	125
Canada Life	1025	1075
Canada National	16	20
Capital Life, 20% Pd.	22	25
Casualty of Canada, Full Pd.	180	....
Commonwealth, 10% Pd.	21	25
Confederation Life, 10% Pd.	85	....
Continental Life, 20% Pd.	63	68
Crown Life, Full Pd.	300	....
Dom. of Can. Guar. & Ac.	300	....
Dominion Fire	105	....
Dominion Life, 50% Pd.	400	....
Excelsior Life, 30% Pd.	110	....
Federal Fire, 25% Pd.	40	....
Fidelity of Canada, Full Pd.	120	140
Great West, Full Pd.	510	535
Imperial Life, 85% pd.	400	....
Manufacturers Life, 45% Pd.	450	475
Monarch Life, 10% Pd.	41	45
Montreal Life, 20% Pd.	63	70
National Life, 25% Pd.	70	75
Ontario Equitable, 10% Pd.	34	37
Security Life, 45% Pd.	10	20
Sovereign Life, 25%, pd.	57	65
Sun Life, 75% pd.	1600	1650
Toronto Casualty	27	30
Western Assurance	56	60

Mortgage, Loan, Etc.

	Bid	Asked
B. C. Permanent Loan	$104.50	$ ....
British Mortgage & Trust	208.00	....
Capital Trust	55.00	65.00
Chartered Trust	83.00	85.50
Commercial Finance Com.	24.50	28.00
Commercial Finance Pref	79.00	83.00
Debentures & Sec. Com.	65.00	70.00
Debentures & Sec. Pref.	64.00	68.00
Lambton Loan & Savings	82.50	....
London Loan & Savings	45.50	50.00
Mfg. Finance Pfd. Bonus Com.	6.50	7.50
Midland Loan & Savings	15.00	....
Mortgage Discount Pref.	6.50	7.50
Mortgage Discount Com.	.40	.80
Mutual Finance Com.	6.75	7.50
Mutual Finance Pref.	6.50	7.50
Peoples Loan & Savings	78.00	....
Sherbrooke Trust Co.	106.00	....
Saskatchewan Mortgage	31.00	....
Sterling Trust	89.00	....
Toronto Finance, pref.	....	4.00
Waterloo Trust & Savings	100.00	....

Club Shares

	Bid	Asked
Bayview Golf	$ 20.00	$ 40.00
Lakeview Golf	40.00	65.00
Lake Shore Golf	....	30.00
Lambton Golf	400.00	425.00
Mississauga Golf	20.00	35.00
Rosedale Golf	130.00	150.00
Summit Golf	15.00	35.00
Thistledown Golf	35.00	55.00
Thornhill Golf	70.00	90.00
Toronto Winter Club	....	40.00
Weston Golf	70.00	90.00
York Downs Golf	265.00	300.00

Recent London Quotations

	Sales
Calgary Power	52
Hudson's Bay	85s.
Hudson's Bay 5% pref.	95s.
Can. West Lumber	4s. 6d.
Standard Chemical 7%	21
Dominion Tar	41s. 9d.
Mond Nickel	70s
Lake Superior	3

Recent Vancouver Quotations

	Sales
B. C. Telephone, pfd., new	104¾b.
Pacific Coyle, com.	13a.
Gosse Packing, com.	52a.
Do., Pref.	90a.

Recent Winnipeg Quotations

	Bid	Asked
Beaver Fire Co.	120	..
Can. Fire Ins. Co.	107	110
Home Inv. and S. Assn.	73	..
N. Mtge., fully paid	75	..
N. Mtge., 50% paid	36	..
Northern Trusts Co.	39	..
Standard Trusts Co.	..	37
N. Star Oil, Co., pref.	5.10	..
N. Star Oil, com.	1.90	..

A. J. Nesbitt Buys Ogilvie Department Store

MONTREAL.—An echo from the Home Bank failure is the news that the James Ogilvie Co, one of Montreal's large departmental stores, has been purchased by A. J. Nesbitt, of Nesbitt, Thomson & Co., of Montreal, at a price which gives to the liquidators all the advances made originally by the Bank to Ogilvie Co. and a small profit in addition.

It is understood that more than three-quarters of a million dollars was involved in the transaction.

G. W. Ford Joins Montreal House

MONTREAL.—George W. Ford, of New York, has become an executive member of the Montreal office of Williams, Partridge & Rapley.

Mr. Ford is a financial sales executive of wide experience and comes to Williams, Partridge & Rapley from the Eastern Public Service Corporation, of which he was vice-president in charge of finances. Prior to entering the public utilities field, Mr. Ford was manager of securities sales in charge of various offices of Henry Doherty and Company in Connecticut, Washington and Tennessee.

Stock Market Record

WEEK ENDING NOVEMBER 15

Banks—	Div. Rate	Yield Nov. 14	High for wk.	Low for wk.	Close Nov. 15	Close Nov. 8	Sales for wk.	Range, 1927 High	Range, 1927 Low
Commerce	12+1	4.76	273	262	269	260	210	295	228
Dominion	12+1	5.00	260	251	259	251	166	275	217
Can. Nationale	10	5.15	194	194	194	195	57	198	160½
Imperial	12+1	5.28	246	238	245	236	171	256	214
Montreal	12+2	4.29	326	308	326	305	334	355½	272
Nova Scotia	16	4.41	365	360	365	361	82	399	298
Royal	12+2	4.48	315	305	315	307	657	344	257
Standard	12	5.04	240¾	230	240¾	229	210	250	196
Toronto	12+1	4.77	273½	269¾	270	272	162	287	227
Paper—									
Abitibi, com. (no par)	5	3.77	133½	129½	132	130	2870	140½	82
Do. pref.	7	5.64	....	....	....	....	....	125	113
Belgo-Can., pref.	7	6.69	106	104	106	104	115	106	101
Brompton (no par)	$2	3.47	59	56	57½	59	5483	64	31
Fraser, pref.	7	6.60	107¼	105½	106	105	15	107¼	96
Inter. Paper, c. (no par)	$2.40	3.47	69¾	66¾	67⅞	66½	73800	69⅝	39½
Do. pref.	7	6.66	105⅝	104¼	105⅝	104½	150	105⅝	98⅞
Laurentide	6	5.55	110	106¾	107	108	2097	116	90
Price Bros., com.	2	2.94	71	67½	68	71	420	75½	51¼
Do. pref.	6½	6.28	104½	102	104	103½	245	104¾	100
Smith, Howard, com.	..	....	71	68	70	70	586	75	59
Do. pref.	8	6.89	117	115	117	116	261	117	103½
Span. River, com.	7	5.32	132¼	130	131	129½	1740	134¾	97½
Do. pref.	7	4.66	150	148	148½	148¾	594	153½	110¼
Wayagamack (no par)	$3	2.65	115	109	109	112	2489	123½	46¾
Steel and Steel Industries—									
B.E. Steel, com.	..	....	....	....	....	....	....	1⅜	⅓
Do. 1st pref.	..	....	21¼	21	21¼	20½	57	29¼	10
Do. 2nd pref.	..	....	3	2¼	2¾	2	2674	4	1
Can. Car & Found., com.	..	....	42	38	38	43	170	50¼	35
Do. pref.	7	7.95	90	87	87	90	510	94½	85½
Can. Fairbanks, pref.	6+3x	5.88	....	....	....	....	....	102	80
Can. Forgings, com.	..	....	....	....	....	....	....	27	17
Do. pref.	1½x	....	....	....	....	....	....	87½	66
C.G.E., com. (par $50)	..	....	....	....	....	....	....	60	49
Do. pref. (par $50)	7	6.03	60½	59	60½	60	388	61	55
Canada Iron, com.	..	....	....	....	....	....	....	15	12
Do. pref.	4	7.27	55	55	55	55	38	60	42
Can. Locomotive, com.	..	....	....	....	....	....	....	48	25
Do. pref.	7	9.58	73	73	73	75	1	89	71
Dominion Bridge (new)	..	....	60¼	57	60¼	....	19610	60¼	57
Dominion Bridge	4+4	2.70	300	281	298	285	1497	300	116¾
Dominion Coal	..	....	71	70	70	70	46	85	67
Dominion Iron, pref.	..	....	....	....	....	....	....	5	1½
Dom. Steel Corp., pref.	..	....	41	35	41	34¼	285	41	20
Ford Motor	15	....	....	....	....	....	....	475	436
Gould Pumps, pref.	7	7.00	....	....	....	....	....	100	100
Kelvinator, com. (no par)	..	....	5	4	5	5	20	15	4
Do. pref.	7	11.66	60	55	55	65	10	95	55
Massey-Harris, c. (no par)	..	....	36¼	35	35¾	35½	7012	42¾	29
Do. pref.	7	6.48	108	107¼	108	107¾	606	109¾	103½
McKin. Ind., c. (no par)	..	....	24¾	24	24	24	75	25½	15
Do. pref.	7	7.17	97½	97	97	97½	30	97½	93¼
Do. Vot. Trust	..	....	24½	24	24	24½	636	26¾	15
Ontario Steel, com.	6	5.35	....	....	....	....	....	112	73
Do. pref.	7	6.25	....	....	....	....	....	99	90⅛
Page Hersey, c. (no par)	$3	3.57	84½	82¾	83	82¾	765	90	55½
Do. pref.	7	4.21	166½	166	166	166	101	180	116
Pressed Metals, com.	$3	6.38	48¾	46	47	47	586	64	34¼
Do. pref.	7	7.60	....	....	....	....	....	97	85
Russell Motor, com.	$3	5.55	....	....	....	....	....	60	52
Do. pref.	7	7.44	....	....	....	....	....	99	90⅛
Steel of Canada, com.	7	4.19	172¼	164½	171	165	1403	222	117
Do. pref.	7	4.37	170	164	170	164½	304	205	127
Milling and Foodstuffs—									
Alta. Pac. Gr., c. (no par)	..	....	50	45	49	49¾	836	54½	19½
Do. pref.	7	7.86	95	93	93	94½	300	97	85
Arnolds, c. (no par)	..	....	16½	15	15	16¼	753	26	10½
Do. pref.	..	....	83	83	83	83	112	95	81
Atlantic Sug., c. (no par)	..	....	24	23	23	23	201	32	21¾
Do. pref.	..	....	....	....	....	....	....	101¼	89½
B.C. Fishing, c. (no par)	$1.25	9.00	14⅞	12½	14⅞	13¼	463	22	12½
Do. pref.	7	9.09	78	74½	77	74	675	90	72⅝
Can. Bak., c. (no par)	..	....	41¾	38	41	38¼	565	42¼	26
Do. pref.	7	6.60	106	105	106	103½	52	106	97
Can. Bread, c. (no par)	$6	3.61	166	165	165	166	100	172	90
Do. pref. (A)	7	5.88	119	119	119	118	5	125	108½
Do. pref. (B)	7	6.33	110½	109½	110	110	65	115	103
Can. Canners, com.	..	....	84	74	84	75	430	84	21
Do. pref.	8	4.54	110	108	109	108½	4619	118½	76
Canadian Salt	5	5.33	150	141	150	141	20	150	123
Christie Br., c. (no par)	$1.20	1.71	71	68½	69	71	740	73	38
City Dairy, c. (par $25)	3+1	2.04	200¾	196	200¼	198	727	201	79
Do. pref.	7	5.60	125	125	125	125	10	125¼	112
Cuban Can. Sugar, c.	..	....	3½	3	3½	2¾	100	5	1¼
Do. pref.	..	....	....	....	....	....	....	37	26
Wm. Davies (A) (no par)	..	....	41	41	41	42	105	45	25
Do. (B) (no par)	..	....	20¼	20¼	20¼	20	1	20¼	9
Dominion Stores (no par)	$2.40	2.52	96	93	93	93	807	99¾	65
Ham. Dairies, c. (no par)	..	....	54	50½	53	51	335	55	24
Do. pref.	7	6.93	101	101	101	99	5	101	95¼
Inter. Milling, pref.	7	6.54	107	105	107	107⅞	102	109	104
Lake of Woods, c.	12	6.61	182	173	180	173	1972	182	130
Do. pref.	7	5.83	120	120	120	116	5	120	110
Loblaw, com. (no par)	$1	1.19	85	83	84	85	102	85	48
Do. pref.	7	5.64	124	123	123	125	17	125	107
Maple Leaf Mill., c.	..	....	103	100	101	102½	197	110½	49
Do. pref.	7	6.82	103	102	103	103	194	103	94
Nat. Grocers, pref.	8	8.00	100	100	100	99	4	101	99
Ogilvie Fl., c. (no par)	5+10	4.23	360	355	360	355	220	372	205
Do. pref.	7	5.51	....	....	....	....	....	127	120¼
Pure Gold Mfg. (no par)	$1.50	7.00	....	....	....	....	....	22	19½
Shred. Wheat, c. (no par)	$3	4.41	68	66½	68	67	2073	71¾	55
St. Law. Flour, c.	..	....	34¾	29	34½	29	1106	34¾	25
Do. pref.	7	8.35	83¾	83	83	80	45	85	79½
Viau Bisc., c. (no par)	..	....	15	15	15	18⅞	5	26	15
Do. pref.	7	8.33	85	84	84	85	15	92½	83½
W. Can. Fl., c. (no par)	$1.40	3.50	41⅞	30½	40½	32	1702	41⅞	22
Do. pref.	6½	6.31	103	102	103	102	32	106	100
W. Groc., c. (no par)	$1	5.26	....	....	....	....	....	29	13
Do. pref.	7	9.21	76	76	76	75	14	84	74¼
Utilities—									
Bell Telephone	8	5.33	150	149½	150	150	255	158½	137
Calgary Power	..	....	....	....	....	....	....	50½	50
Consumers Gas	10	5.26	190	188	189	190	112	194	171½
East Koot. Pr. (no par)	..	....	....	....	....	....	....	29¼	25
Do. pref.	7	7.00	100	100	100	100	5	100	95
Inter. Util. (A) (no par)	$3.50	7.44	47½	46	46½	47	2471	48½	28
Do. (B) (no par)	..	....	9	8	8⅝	8⅞	2974	10	4½
Jamaica Pub. Ser., pref.	7	6.66	105	105	105	104	100	105	97
Laurentide Power	5	3.44	....	....	....	....	....	150	105
Mackay, com.	7	5.78	121	116½	121	116	750	132½	108
Do. pref.	4	5.63	71	70	70	70½	191	74	67
Mexican Light, c.	3½	....	....	....	....	45	25	52	27
Do. pref.	..	....	46	46	46	....	....	120	67
Mont L H & P (no par)	$2	2.21	90½	89¼	90	89½	2869	96¾	68¼
Montreal Telegr. (par $40)	8	6.15	52½	51½	52½	52	70	52½	49
Nor. Mex. Pr., c.	4	5.71	73½	68½	70	70	225	83	42
Do. pref.	7	7.60	....	....	....	....	....	96½	82½
Ott. & Hull Pr., c. (no par)	..	....	40	35	40	35	8	40	26
Do. pref.	7	7.00	100	100	100	100	20	100	96
Ott. L. H. & Pr., c.	6	4.25	141¼	141	141	140	352	141¼	98½
Do. pref.	6½	6.19	107	105	105	105	45	107½	101
Quebec Power, c.	..	....	78	75	77	77¾	1236	80	72
Shawinigan (no par)	$2	2.38	85	82½	84½	85	5538	94¾	67
Do., Rts.	..	....	3⅛	2⅝	2⅞	3	44807	4	2½
S. Can. Pr., c. (no par)	$3	2.72	118	110	110	115	96	140	85
Do. pref.	6	5.71	105¾	105	105¾	104½	104	113	99½
Do. Rights	..	....	7¼	6½	7	....	551	7¼	6½
Transportation—									
Can. Pac. Rly.	10	5.10	196	192	196	194	42	201	166
Can. Steam., c. (no par)	..	....	38	37½	37½	38	368	42	34
Do. pref.	6	6.45	94	92¾	94	93	1502	96½	82½
Do. Voting	..	....	..	....	....	....	....	37½	31
Tractions—									
Barcelona (par $50)	1	....	....	....	....	....	....	68⅛	33½
Brazilian, c.	6	3.03	204	194	203½	200	35054	210	102½
Do. pref.	6	3.63	165	164	165	166¼	205	174	104
Detroit Un. Rly.	$2	....	..	....	....	....	....	5	1½
Duluth-Superior	..	....	..	....	....	....	....	30¾	22½
Minneapolis S.S.	..	....	..	....	....	....	....	43½	42½
Mexican Trams.	..	....	..	....	....	....	....	21	19¼
Montreal Trams.	10	5.26	190	190	190	190	100	200	169
Ottawa Traction	4	6.06	66	66	66	64	10	70	64
Porto Rico Rlys., c.	$3	....	..	....	....	....	....	70¾	59
Do. pref.	7	7.21	..	....	....	....	....	100	90
Twin City, c.	4	8.69	47	45	47	45	165	66	45
Do. pref.	7	6.86	....	....	....	....	....	103	100
Winnipeg Elec., c.	2	2.27	88½	87	87¾	88½	5989	94¼	60¾
Do. pref.	7	6.79	106¾	103	104	106¾	99	109	100¾
Do. Rts.	..	....	9½	8¾	9½	8½	4430	9½	6⅝
Textiles—									
Can. Conn. Cotton, pref.	4	6.15	66½	65	66½	67	120	69	36
Can. Converters	7	6.93	102	100	102	100	255	107½	92
Can. Cotton, com.	8	6.34	126	126	126	126	10	132	115

	Div. Rate	Yield Nov. 14	High for wk.	Low for wk.	Close Nov. 15	Close Nov. 8	Sales for wk.	Range, 1927 High	Range, 1927 Low
Do. pref.	6	5.82	103	103	103	103	10	103	95
Can. Woollens, com.	.	....	..	....	....	....	....	10	5
Do. pref.	.	....	..	....	....	....	....	63½	59¾
Cosmos Imp., c. (no par)	.	....	28	27¼	27½	28	711	31½	13
Do. pref.	7	6.89	102	101	101½	102	37	103	91¼
Dom. Textile, c. (no par)	$5	3.84	130	128¾	129	130	742	138⅞	105
Do. pref.	7	5.60	..	....	....	....	....	125	115¾
Monarch Knit, c.	.	....	..	....	....	....	....	35½	7½
Do. pref.	.	....	..	....	....	....	....	54	45
Montreal Cottons, c.	6	5.21	..	....	....	....	....	117	110
Do. pref.	7	5.78	..	....	....	....	....	121	114
Penmans, c. (no par)	$4	4.21	95	92¾	93	95	185	108	70
Do. pref.	6	5.82	..	....	....	....	....	105	101
Wabasso Cotton (no par)	6	4.72	127	126⅞	127	127	25	137	84
General Industrials—									
Amer. Sales, c. (par $20)	4	5.97	67	66½	67	66½	262	75	60
Do. pref.	7	6.60	106	106	106	105	25	106	97½
Asbestos Co., c. (no par)	.	....	38	37	37½	38⅛	3237	39¾	20
Do. pref.	7	7.40	95	93	95	95	983	102¼	82¾
Brant. Cord., pf. (par $25)	8	9.75	20½	19	19	19¼	299	25	19
Brew. & Distil. (par $5)	5	....	15½	15½	15½	17	50	18	4½
Building Products, pref.	7	6.76	104	103½	103½	103	180	104	93½
Burt, F. N., c. (par $25)	$3	4.28	70¾	68½	70	70¼	2264	70¾	56½
Canada Cement, c.	6	2.42	247	246	247

Pulp & Paper

NOW BUILDING SECOND MACHINE FOR BATHURST CO.

Space Exists in the Present Mill for This Machine

From Our Own Correspondent

MONTREAL.—Like the other newsprint companies, the Bathurst Company is also expanding and has ordered a second newsprint machine which is now being constructed. The company has sufficient space in its newsprint mill to allow the installation of a second machine. For the future the earning power of the plant will be increased without a proportional increase in the total investment.

The Bathurst Company's present output of newsprint comes from one machine which produces seventy tons of newsprint daily. The second machine will be in operation by May, 1928, at which time the capacity of the newsprint mill will be increased to 140 tons daily—a one hundred per cent. increase in the output.

The company has a varied output for sale which consists daily of fifty tons of unbleached sulphite; seventy tons of kraft pulp; seventy tons of newsprint and some surplus groundwood production, which will be used by the new newsprint machine. The last figures available show that property owned or controlled includes 2,500 square miles of timber limits, located in New Brunswick and Quebec, which are estimated to contain 10,000,000 cords of pulpwood and 2,000,000 feet board measure of spruce, pine and cedar logs. Bathurst develops its own power at Grand Falls on the Nepisiquit river, the present plant having a capacity of 9,000 horsepower. Part of the power to operate the second newsprint machine will, in the meantime, be supplied by steam.

Operating profits of the Bathurst Co. in 1925 and 1926 were practically at the same level, but last year there was a decided increase in the net profits after all charges. Earnings during the current year are larger than during the first ten months of 1926, despite the hesitancy in the market for all grades of pulp and paper, with the exception of kraft. Last year, the operating profits applicable to interest charges, depreciation and depletion were about three and a half times the bond interest requirements.

Since 1907 Bathurst has produced spruce lumber, sulphite and sulphite pulp; in 1923 it began its career as a manufacturer of newsprint. It is thus the only newsprint producer in the Maritimes and supplies many of the newspapers in that territory.

The company has provision for the installation of a third unit in its hydro-electric development which would increase materially the capacity of the plant. It owns deep water docks and its products are shipped all over the world. As the plant is located on tidewater, Bathurst obtains the benefit of low shipping rates on both its finished products and its raw material. In addition to cutting pulp from its own limits, the company purchases around 35,000 cords annually.

Conclude Price Purchase of Quebec Pulp This Month

From Our Own Correspondent

MONTREAL.—At the close of the present month, the Port Alfred Pulp and Paper Corporation and Price Brothers acquire the assets of the Quebec Pulp and Paper Mills. In the meantime, this company has been producing groundwood pulp. It is thought that after the plants are acquired by the two large newsprint operators, there will be no change in the activities of the Quebec Pulp and Paper Mills. As yet, the new owners of the property have formulated no plans regarding its future developments. Ultimately, of course, it may be possible to develop the Quebec Pulp and Paper Mills property into a newsprint producer, but there is no intention of taking such a step at the present time, due to the present situation in the newsprint market. There has been no betterment of late in the market for groundwood pulp so that earnings of the Quebec Pulp and Paper Mills as compared with its capitalization are still on an unsatisfactory basis.

Port Alfred Earning Power Has Yet to Reach Its Peak

From Our Own Correspondent

MONTREAL.—With the usual seasonal improvement in the demand for newsprint paper, the Port Alfred Pulp and Paper Corporation is now producing more paper than at any time in its history. Although the corporation has not yet hit its real earning power stride, the earnings in 1926 were at a satisfactory level and after all charges more than exceeded twice the preferred dividend requirements.

It was only at the beginning of this year that the company really completed its expansion program which brought its newsprint capacity up to 440 tons daily. The expansion was thus completed practically coincident with the slackening in the demand for newsprint paper. Or to put it more correctly, coincident with the tremendous expansion in the industry which outstripped the demand for newsprint. Thus, like all the other newsprint producers, during the current year the corporation has not been operating at capacity. The last income account of Port Alfred indicates that as the demand for newsprint catches up to the capacities of the mills on this continent the earning power potentialities of the company's common shares will increase greatly. The more or less recent new financing undertaken by Port Alfred has resulted in reducing the annual interest charges which are deducted from gross earnings.

St. Maurice Valley Output is Highest in Its History

From Our Own Correspondent

MONTREAL.—Like many other Canadian newsprint producers, the St. Maurice Valley Corporation had hardly completed its programme of expansion ere the present hesitancy in the newsprint market set in with the result that, although in 1926 the corporation showed earnings on its common stock of $8.46 per share, yet it has not benefited to the full on the expanded newsprint capacity of its Belgo mill, nor perhaps, from its acquisition of the Canada Paper Co.

But at the present time the corporation is producing more newsprint paper than at any time in its history. The reason of the increased scale of operations at its mill is due, of course, to the usual autumnal revival in the demand for newsprint paper.

The Three Rivers plant produces 275 tons of newsprint daily and the Belgo plant has a capacity of 600 tons. The Canada Paper Company has a newsprint capacity of 60 tons daily, making the total daily rated capacity of the newsprint section of the corporation's activities about 935 tons.

International Paper Buys Limits from Fraser Group

From Our Own Correspondent

MONTREAL.—Preparatory to building its new New Brunswick newsprint mill, the International Paper Company is purchasing from the Fraser Companies approximately 1,000 square miles of timber limits, located on the Restigouche river and on the Baie Des Chaleurs. The timber holdings now being acquired by the International Paper are adjacent to areas already owned by the company.

The Fraser Companies retail large holdings of timber lands in the basin of the Restigouche river, from which it will continue to draw timber for use in its Campbellton sulphite mill. With its newly acquired timber holdings, the International Paper has now sufficient timber limits to proceed immediately with the erection of its projected newsprint mill in New Brunswick.

General Combustion Gets Larger Orders at Brockville

From Our Own Correspondent

MONTREAL.—It is reported that the General Combustion Company is receiving an increasing volume of orders at its Brockville plant. It is understood that the present scale of operations indicates that the profits will prove satisfactory to the shareholders. The General Combustion Company recently offered its stock publicly. The company's output includes heating systems for domestic use and for public and office buildings.

The company has adapted its combustion units to Canadian coal and coke and the use of its furnaces brings about a satisfactory reduction in fuel costs. The management is now conducting negotiations with a view to carrying on a substantial export business in Great Britain. Furnaces at the present time are being shipped to Japan.

New Paper Mill for Nova Scotia

Having a capacity of 70 tons of newsprint per day, a new pulp and paper mill will shortly be erected at Hantsport, N. S., by the Avon Pulp and Paper Co., Ltd. It is the intention of the company to erect a mill which will be over 500 feet in length and 60 feet in width, and construction on the plant will be begun almost immediately.

International Mills Safe

MONTREAL.—The floods in New England have caused no damage to the properties of the International Paper Company. One small mill was out of commission for a day and a half, but any damage to the equipment was avoided by the prompt action of the mill manager.

Dividends Declared

	Rate	Date	Record
Hiram Walkers	50c.	Dec. 15	Nov. 30
Mexican L. & Pr. cum. pfd.	3½%	Nov. 21	Oct. 31
Do., 2nd pfd.	2%	Nov. 21	Oct. 31
Brazilian, com.	1½%	Dec. 1	Oct. 31
Bank of Toronto	3+1%	Dec. 7	Nov. 15
Bank of Commerce	3+1%	Dec.1	Nov. 15
McIntyre Porc.	5%	Dec. 1	Nov. 1
Royal Bank	3+2%	Dec. 1	Oct. 31
Can. Oil, pfd.	2%	Jan. 1	Dec. 20
Bank of Commerce	3+1%	Dec. 1	Nov. 15
Famous Players, pfd.	$2	Dec. 1	Oct. 31
Wayagamack	75c.	Dec. 1	Nov. 15
Crow's Nest Coal	½%	Dec. 1	Nov. 15
Page Hersey, com.	75c.	Jan. 2	Dec. 20
Do., pref.	1¾%	Jan. 2	Dec. 20
Can. Found. pfd.	*1½%	Dec. 1	Nov. 15
Belding Cort. pfd.	1¾%	Dec. 15	Nov. 30
Loblaw, pfd.	1¾%	Dec. 1	Nov. 18
Do, com.	25c.	Dec. 1	Nov. 18
Can Nationale	2½%	Dec. 1	Nov. 15
East Koot Pr. pfd.	1¾%	Dec. 15	Nov. 30
Imperial Oil	25+12½c.	Dec. 1	Nov. 12
Hollinger	2%	Dec. 2	Nov. 16
Wabasso	$1+50c.	Jan. 3	Dec. 15
Mont. Cottons, com.	1½%	Dec. 15	Nov. 30
Do., pref.	1¾%	Dec. 15	Nov. 30
Christie Brown, com.	30c.	Feb. 1	Jan. 15
Do., pref.	1¾%	Feb. 1	Jan. 20
LaCaisse d'Economie	$3	Dec. 1	—
McColl	20+50c.	Dec. 1	Nov. 19
Ott. & Hull Pr., pref.	1¾%	Dec. 15	Nov. 30
Wpg. Electric, com.	$1	Jan. 16	Nov. 30
C. P. Rly, com.	2½%	Dec. 31	Dec. 1
Inter. Mill,, pref.	1¾%	Dec. 1	Nov. 19
Nor. Mex. Pr., com.	1%	Jan. 3	Dec. 15
Do., pref.	1¾%	Jan. 3	Dec. 15

*Arrears.

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Three Rivers, Que.

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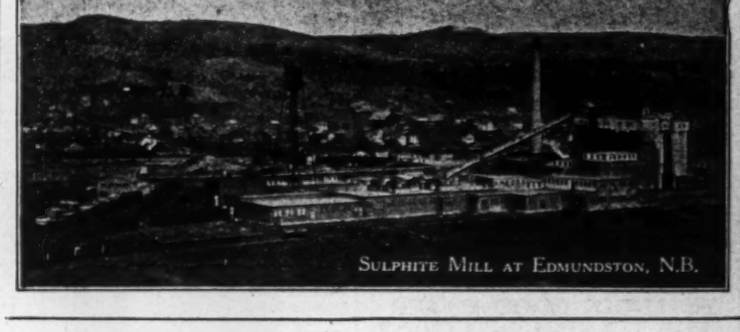

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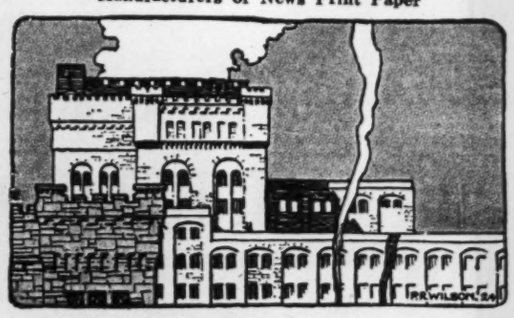

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Keep True Perspective, Avoid Unsound Boom, Urges Neill in Address

Speculation is Being Overdone in Canada, General Manager of Royal Bank Tells Fellow Bankers

By C. E. NEILL,
Retiring President, Canadian Bankers' Association

In his address before the Canadian Club of Montreal, the Right Honorable Reginald McKenna presented statistics to prove that the history of Canada since 1900 afforded an unparalleled example of rapid economic development. He closed his summary of the situation which now prevails with the prophetic words, "Canada is the country of the future and that future begins to-day."

Farmers Enjoy Good Harvests

For three successive years the farmers of the west have enjoyed reasonably good harvests, and they have received fair prices for their products, and a satisfactory agricultural situation is to be found in all other parts of Canada. The production of the mines of the country is steadily increasing, and the new discoveries of the last few years have given those who are well-informed a basis for great optimism concerning the future. While this particular year has not been a good one for the fisheries or the lumber industry, there are no grounds for the belief that this adverse situation is more than temporary. During the past two years a large volume of building has been completed in cities and towns throughout the Dominion, and further substantial construction is in prospect. The rate of building in Vancouver and Winnipeg is worthy of particular comment. Plants manufacturing agricultural machinery, automobiles, boots and shoes, machinery and electrical supplies, are all operating at or near capacity. While Canadian paper mill capacity has been greatly expanded in the last three years, actual production in Canada has been properly controlled and is not increasing at a much greater rate than it has been falling off in the United States. The railroads had an excellent passenger business during the tourist season, and are now actively engaged in transporting our great crops toward foreign markets. Statistics of employment show that the level of employment in Canada in October is about 14 per cent. above the average level which has existed at that time of the year between 1921 and 1926, whereas in the United States the comparative index is now about two per cent. below the average level for the same period. These statistics of employment reflect a high level of activity in all industries. Production in Canada is increasing at a rate greatly in excess of the rate in growth of population.

Prosperity in Country

Naturally, the financial statistics of a prosperous country bespeak prosperity. The consolidated return of the chartered banks to the Dominion government in September shows that deposits payable on demand in Canada have increased by $38,000,000, and deposits payable after notice, by $59,000,000, a total growth in deposits for the year of $97,000,000. A large proportion of this increase has been used to advantage in financing commercial and industrial activity, as indicated by the healthy growth in current loans of $76,000,000, or about eight per cent. Figures expressing the increase in bank deposits might be combined with statistics showing the large volume of new security issues absorbed internally to constitute an excellent index of the growing wealth of the country. A less favorable feature is evidenced by the increase in call loans of $58,000,000, approximately 41 per cent., which denotes an increase in speculative activity, and this increase is notwithstanding the fact that customers' credit balances with brokers are higher than ever before. As a result of the improved outlook, and because of the large supply of money available for investment, practically all classes of securities have increased in value, and in some instances the rise has been spectacular.

Warns Against Speculation

Speculation is undoubtedly being over-done, and it is to this phase of the present situation that I would like to draw special attention.

It is inevitable that when business corporations are steadily increasing their earnings, and when the prospects of both the individual company and the industry as a whole are excellent, securities should sell at a price somewhat above that justified by immediate earnings. The price of securities tends to discount probable future earning, but the prices of the securities of many of the strongest industrial and public utility companies in Canada are now at a level where the yield is well below that which may be obtained from corresponding securities in the United States and other countries. In a country where great resources are available for development, enthusiasm, if properly restrained, should result in prolonged and reasonably uniform prosperity, but over-optimism concerning the immediate future must eventually be followed by an unfavorable reaction. Inflation of land and security values retards rather than promotes sound and constructive development.

Try to Avoid Boom

Because of our belief in Canada's future, we should do everything in our power to prevent the development of boom conditions, and since no group of men in Canada can have a more widespread influence in financial circles than the members of the Canadian Bankers' Association, it is our duty to give present conditions our most careful consideration.

As it should be possible to avoid the violent fluctuations which have heretofore characterized certain periods in the life of practically all new countries, we should do everything in our power to maintain stable conditions. To this end, investors of small means should be deterred from taking risks which they cannot afford. Efforts should be made to protect the poorly informed investor who is about to invest in new and untried ventures. Redoubled vigilance should be exercised concerning issues of fraudulent securities. Investors should be encouraged to seek advice from bank managers throughout the country, and when information is sought, bank officials should furnish thoughtful and well-informed advice. Moreover, as holders of the purse strings, we can effectively influence general trends along sound lines, by judiciously distributing credit, and particularly by restricting speculative advances to reasonable limits.

No Boom Here Yet

All too frequently in the past, words of warning of this type have been spoken after a boom was under way, too late to prevent the inevitable depression which was bound to follow. As yet there is no boom in Canada. Agricultural and industrial conditions are on a sound basis of prosperity, and, generally speaking, the future has not been over-discounted. Let us keep a true perspective, and endeavor to direct the development of the great resources of our country along sound lines, thus stabilizing our present prosperity.

Will Develop Slave Falls

WINNIPEG.—Preliminary development of Slave Falls power site by the Hydro will be started this winter, a year in advance of schedule, owing to the increased demand for electrical power from the city-owned utility. Developments should be completed by 1931 at an estimated expenditure of about $7,000,000. The site is on the Winnipeg River, 90 miles northeast of here, and five miles from the Pointe du Bois plant of the city hydro.

FAMOUS PLAYERS HAS BETTER YEAR SHOWN BY REPORT

Company Has Maintained Dividend on 8% Cumulative First-Pref. Stock

Famous Players Canadian Corp. enjoyed a much more prosperous year in the 52 weeks ended August 27, 1927, than in the corresponding 52 weeks of the previous year, it is shown by the annual report which has just been published. Net profits, before providing for income taxes, totalled $708,267, compared with $399,639 in the previous period. Operating profit before depreciation, bond interest, etc., was $1,191,877, compared with $800,581 the previous year.

The company has maintained its dividend on the 8 per cent. cumulative first preferred stock, and last year paid two quarterly dividends on the 8 per cent. cumulative second preferred, on which dividends had accrued from November, 1920.

Property Account Grows

There are some rather important changes in the balance sheet. The property account, which includes lands and theatre buildings and equipment, stood at $5,038,503 in 1926, but has been increased to $6,328,603. Franchises, contracts, leaseholds, etc., stand at virtually the same figure and, as before, the equity acquired in affiliated companies is carried on the books at $1.

Mortgages on theatre properties are slightly reduced, advances from affiliated companies are increased from $50,000 to $125,000 and there is a reduction in the total of accounts payable. Cash has grown from $381,177 at the close of the previous fiscal year to $433,348 at the close of the most recent fiscal year.

Income and Surplus Account
(Years ending August 27)

	1927	1926	1925
	$	$	$
Net earnings	1,191,877	800,581	730,607
Less:			
Depreciation ...	299,715	265,409	180,000
Interest	95,512	91,683	90,369
Income tax	29,856	27,923	28,171
Net profits	766,794	415,566	432,067
Less appropriations:			
1st pref. dividends	336,072	334,036	332,000
2nd pref. dividends	40,000	.....	.....
Deferred charges	88,384	43,850	47,069
Surplus for year ..	302,338	37,680	52,998
Add prev. surplus	281,005	243,325	187,146
Subsidiary surplus	.....	.....	3,181
Bal. carried forward	583,343	281,005	243,325

Market Record—

	1926		x1927	
	H	L	H	L
Common	21	11	51½	20
Preferred	94½	88	101	93½

xTo Nov. 8.

Hugh Mackay Joins Board

MONTREAL.—The Lake of the Woods Milling Company has announced that Hugh Mackay, B.C.L., K.C., has been elected a member of the board of directors. Mr. Mackay is widely known in Montreal and throughout Canada as a director of many leading companies. In becoming a director of the Lake of the Woods he continues a family association, as his father, the late Hon. Robert Mackay, was a director of the company for many years.

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Public Utilities

With Sales Increasing Outlook Remains Good for Consumers Gas Co.

General Manager Hewitt Sees Day When Fluid Will be Used for Every Heating Purpose — Litigation is Reviewed

Growth in gas sales, merchandise sales, gross revenue, interest earnings and number of meters connected were outstanding features of the report of Consumers' Gas Co., which was presented at the annual meeting November 14. Owing to the lessened value of residuals produced and to increased cost of coal and of taxes, net earnings increased by only $4,000 and by the time dividends had been provided and the plant and buildings renewal fund appropriations made in accordance with the franchise method of bookkeeping, the special surplus had been reduced to $89,162. This item stood at $232,514 at the end of the previous fiscal year.

The gas sales for the year totaled $5,426,099, compared with $5,300,015 the previous year. This was a highly gratifying increase, which was due to the growing use of gas for industrial purposes, and to the fact that 3,946 additional meters have been installed throughout the territory served. The company now has 2,120 mains and service lines and, owing to the installation of pumping equipment in the last year, every part of the territory served gets an equalized pressure.

Six Years' Results

There was a marked reduction in the revenue from residuals, this item being $1,274,331, compared with $1,359,893 the previous year. Yet the 1927 figure still was somewhat in advance of that for 1925, which was $1,183,708. The folloding is a statement of the profit and loss for the last five years:

Income and Surplus Account, Years Ending September 30

	1927	1926	1925	1924	1923
	$	$	$	$	$
Gross earnings	7,093,752	6,999,399	6,623,346	6,615,045	6,883,353
Less—					
Expenses and taxes	5,276,567	5,187,916	5,072,422	5,212,504	5,498,649
Interest	.....	.....	.....	.....	8,586
	5,276,567	5,187,916	5,072,422	5,212,504	5,507,235
Net profits	1,817,185	1,811,483	1,550,924	1,402,541	1,376,118
Other income	92,713	57,273	32,210	40,290	.....
Total	1,909,898	1,868,756	1,583,134	1,442,831	1,376,118
Less appropriations—					
Dividends	1,200,000	1,049,349	895,176	798,741	689,253
Plant and building renewal	853,250	790,599	710,281	634,235	591,002
Surplus for year	x143,352	28,808	x22,322	9,855	95,863
Add previous surplus	232,514	203,707	226,030	216,175	120,312
Balance carried forward	89,162	232,515	203,707	226,030	216,175

xDebit

An item of some importance in the foregoing is the growth of income by way of interest. This item, which was $32,209 for 1925, was $92,713 at the end of 1927.

In the balance sheet, it is found that real estate, plant and equipment now stand at $17,568,111, compared with $16,695,369 at the end of the previous year. On the other hand, other investments are reduced to $1,636,237 from $2,740,892. This indicates the extent to which reserves have been used for betterment of plant and equipment.

Plant Fund Rises

On the liability side, it is found that the plant and renewals fund has been increased to $1,443,809 from $1,299,729. The company has spent out of this fund in the course of a year $709,170 and transferred to it from profit and loss at total of $853,250.

The average price of gas coal was somewhat higher during 1927 than in the previous year, the shareholders were told, and it was explained that a temporary increase in wages paid to workers at the mines for a period of three months, was, in accordance with the terms of the company's contracts, added to the contract price of coal.

The price obtainable for residual ammonia has dropped considerably in the past two years, owing to the production of ammonia by synthetic processes. The loss in revenue resulting from this situation during the last year has amounted to $45,500 and it is estimated that the decline in revenue in the coming year will total $58,750.

An increase in taxes in the year was noted. The total for the year was $323,000.

Add to Equipment

An additional unit of Glover-West vertical retorts has been installed at Station "A," and incorporated with the eight settings previously erected, forming one complete battery of nine settings. No auxiliary equipment was necessary to care for the additional manufacturing capacity provided by this extension.

Four new purifiers, having a daily capacity of 4,000,000 cubic feet, have been constructed for the coal gas plant at Station "A," replacing four old purifiers which had been in continuous service from 1899. The installation at the manufacturing stations, of the necessary pumping equipment for the medium high pressure system of gas distribution, has been completed, and the system was put into operation on April 25. The construction work in connection with the manufacturing plants and distribution system, carried out during the past few years, has resulted in the company being now well equipped to render throughout the large territory covered by its distribution facilities, uniform and efficient service. At the same time, the shareholders were told, adequate provision has been made for future business expansion.

Mr. Austin, the president, also noted that the commercial department's sales have increased by 15 per cent. in the course of the year and reference was made to home-service department, the lectures of which had been attended by 15,000 girls and women in the year. This department also assists consumers in the selection of gas appliances and in the use thereof.

Plan Extensions

Mr. Austin, in his later remarks, observed that, although the company has extended its lines wherever there existed a reasonable demand for gas, there still remained a very large territory within the company's area of supply which presents possibilities of a most hopeful character for future development. The distribution system, he said, is so designed that, as the additional business is secured, it can be cared for with but little extra capital expenditure.

Mr. Austin then dealt at some length when the litigation initiated by the city of Toronto a year or more ago and which was ended by the privy council in England in July by a decision in favor of the company. While the general outlines of this case are familiar, Mr. Austin's lucid summary is of interest:

"In April, 1926, the company was notified by the city of Toronto that it was the intention of the city to proceed in the courts with an action against the company, challenging the company's method of dealing with the premiums received by it upon the sale of certain of its capital stock.

"The city claimed that all premiums realized from the sales of capital stock, authorized under the supplementary letters patent granted to the company in 1909 and 1921, such premiums amounting in all to $4,075,573.85, should have been carried to the special surplus account instead of being placed in the reserve fund, and that this money should have been expended in reduction of the price of gas until it was exhausted.

"The action was tried before the supreme court of Ontario on November 18, 1926, when the trial judge delivered judgment as prayed for by the city.

Appeal Court Upholds Company

"The company appealed from this judgment to the appellate division of the supreme court of Ontario, and on March 14, 1927, the appeal was allowed and the city's action dismissed.

"The city then appealed to the privy council, and in order that no technical question of the city's right to maintain the action should prevent consideration of the merits of the case, the attorney-general of the province of Ontario, at the request of the city, consented to being added as a party. To this course the Gas Company agreed willingly.

"The city's appeal was heard by the privy council and judgment was delivered on July 26, 1927, dismissing the appeal with costs, thus confirming the company's course of action in dealing with the premiums in question.

"The directors are now and have at all times been anxious to fulfil their legal and moral responsibilities as directors of a public utility. They feel that the company's record, both as to the services rendered, and rates charged, reflects the soundness of their policy and the integrity and good faith of the administration."

In conclusion, I wish to express my appreciation of the excellent work accomplished by the competent and enthusiastic officers and employees of the company and of their continued loyalty to the company's interests.

Arthur Hewitt, general manager, in the course of his remarks, stated that the outlook for the gas industry is excellent, although the original purpose for which gas was used — illumination — has been almost entirely abandoned. He pointed out that Consumers' Gas Co. had grown tremendously even in territory where electricity, at least for household purposes, was considered extraordinarily cheap. He said that the company's growth in the last twenty years had been 529 per cent. while the industry as a whole had grown 352 per cent. The territory served by the company had grown 166 per cent. while the population served by the industry as a whole, had grown 50 per cent.

Gas For Heating

Mr. Hewitt can see the day when gas will be used for every heating purpose and he quoted at length from an address delivered at the annual meeting of the American Gas Association in which it was stated that the gas industry, although in existence for more than a century, is still in its infancy.

Directors of the company again are: A. R. Auld, A. W. Austin, A. R. Campbell, L. Goldman, Dr. F. LeM. Grasett, Col. J. F. Michie, William Mulock, K.C., F. Glynn Osler and Thomas H. Wood. Mr. Austin was re-elected president and Dr. Grasett vice-president at the directors' meeting following the general manager.

How Consumers' Gas Earnings Have Grown

The table of gross and net earnings in a period of years follows:

	Gross	Net
1927	$7,093,752	$1,817,184
1926	6,999,399	1,811,482
1925	6,623,345	1,550,924
1924	6,615,044	1,402,540
1923	6,883,353	1,384,704
1922	6,813,939	1,478,274
1921	7,214,881	1,540,932
1920	6,426,896	1,240,274
1919	5,506,215	965,917
1918	5,095,006	776,665
1917	4,929,349	953,306
1916	3,637,805	919,576
1915	3,440,008	865,380
1914	3,577,982	944,949
1913	3,203,310	841,981
1912	2,464,368	718,134
1911	2,214,873	697,006
1910	2,070,691	754,760
1909	1,737,000	604,083
1908	1,587,362	556,882
1907	1,363,400	455,360
1906	1,241,830	500,952
1905	1,096,650	412,259

Course of Consumers' Gas Stock in Market

The record of Consumers' Gas stock over a term of years has been as follows:

Market Record

	High	Low
1912	196	189
1918	153	144½
1919	152	138
1920	150	125
1921	*75	*65
1922	†160	*72
1923	163	150½
1924	170½	159
1925	177	164
1926	183⅞	170
1927 (to date)	194	171½

*Quotation "Dollars per share" instead of "Percentage."
†New stock of $100 par.

Grand Falls Hydro-Electric Development 70% Complete

Construction work on the Grand Falls, New Brunswick, hydro-electric development of Saint John River Power Co. is 70% complete. Concrete is being poured in the exterior walls of the powerhouse and erection of the steel penstocks is going forward.

There is less than 900 feet of concrete lining to be completed in the 2,700-foot pressure tunnel which will lead the water from above the dam to the powerhouse. The superstructure for the gates on the main dam and also the gates themselves are being erected.

The hydro-electric plant will be the largest power development in the Maritime Provinces. All of the common stock of Saint John River Power Co. is owned by International Paper Co.

CALL IS LIKELY ON PREFERRED OTTAWA POWER

Scheme is Plan of Inter. Paper to Consolidate Interests of Gatineau District

MONTREAL.—There seems to be every possibility that the preferred shares of the Ottawa-Montreal Power Co. will be called. The par value of the stock is $50 and the call price is $52.50.

The shares were sold publicly only a few years ago by Nesbitt Thomson & Company at par and carried a bonus of common stock. In May of this year the International Paper Company acquired the common stock of the company at a price which gave a very substantial profit to the shareholders. Now the International Paper Company in consolidating its holdings on electric light and power producing and distributing companies located along the Ottawa river valley and has called the bonds of three subsidiary companies, namely, the Ottawa-Montreal Power, the Quebec Southern Power and the Gatineau River Power.

It is thought that the intention is to consolidate these three small properties into one company which will control and operate the distribution system of the Gatineau Power Company, the International Paper's wholly-owned large power producer.

If this end is to be achieved, it would involve the calling of the Ottawa-Montreal Power preferred at $52.50 a share, which would give a further profit to the original holders of the stock.

GREAT POSSIBILITIES

"In Ontario, gold production increased from $42,637 in 1911 to $20,082,586 in 1923. There is no apparent reason why, if developed along the same lines, corresponding results should not be obtained in Nova Scotia." —Sir Stopford Brunton, in address before Mining Society of Nova Scotia, June, 1926.

BANKS APPEAR WITH WOLVIN IN BESCO CASE

Priorities Action Finds National Trust in Opposing Camp

MONTREAL.—According to Canadian press despatches coming from the court-rooms where the Besco-National Trust priorities action is being heard, the banks to which the Dominion Iron & Steel Co. is indebted, are naturally lining up on the side of the British Empire Steel Corp. For years, the Dominion Iron and Steel Company has been borrowing on its current assets under section 88 of the Bank Act. The National Trust Co., acting on behalf of the bondholders, claims that the bondholders have a prior claim on the current as well as the fixed assets. Thus, the present case is to decide which comes first, the banks or the company's bondholders.

A peculiar situation has arisen, for the National Trust, which has been fighting Besco, is controlled by interests close to the Canadian Bank of Commerce. Yet the Canadian Bank of Commerce now finds itself in line, in the present instance, with the management of the British Empire Steel Corp. The Besco management naturally desires the court to declare that the bank loans ranks senior to the claims of the bondholders. Normally, bank loans made on current assets, under section 88 of the bank act, rank senior to claims of the bondholders, but due to some clauses in the trust deeds covering Dominion Iron bonds, an uncertainty as to who has the prior claim has arisen.

Dominion Iron first went into the hands of the receiver as a result of the uncertainty regarding the claims of the banks. Naturally the banks would not lend funds on the current assets unless they were assured of ranking ahead of the bondholders. Thus a year and a half ago, the Dominion Iron's position was such that it could not finance the current orders on its books.

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ST. LAWRENCE OUTPUT FOR 1928 ALL SOLD, REPORT

Rumors of Merger Have Surrounded This Paper Company of Late

From Our Own Correspondent

MONTREAL.—It is stated that the St. Lawrence Paper Mills has sold its entire newsprint output for the whole of 1928. While the report has not yet received any official confirmation, it is generally regarded in informed investment circles as being accurate. Fuel has been added to the constant fire of merger rumors which have surrounded the company of late, by the publication of an article by Financial Service saying that the engineers of the International Paper Company have been looking over the plant of the St. Lawrence Paper Mills.

In the meantime, much investment discussion centres around the present price of the common shares of the company, which until a month or two ago, changed hands at below 40 and have bounced up recently to over $100 per share.

Steadily Expanded

The company only went into operation a few years ago, and has steadily expanded; it has paid no dividends on its common stock and there are many investors who feel that compared with other newsprint securities, the common shares of St. Lawrence Paper Mills are to-day selling too high.

The reason underlying the strength of the stock appears to be the possibility of the merger with one or other of the larger companies. For some weeks, rumor has indicated constantly that negotiations for the sale of the property had been initiated.

There are many who purchased the stock at lower levels, who do not sell at the present price, even though some investment opinion believes that the stock is now unduly inflated. As the company is controlled by the Noah Timmins interests, and as the stock is closely held, there is very little floating supply available; hence, any demand increases the price rapidly.

Some pessimists on the immediate future course of the shares say that as it was only worth around $35 a share last July, it is obvious that it cannot be worth about $100 at the present time. This argument is countered by those holding the stock who say that only recently has there arisen any real appreciation of the position occupied by the company.

Fairly Large Producer

One large holder of stock referring to the situation, told The Financial Post that the company began its existence in a small way and despite its expansion in the past year or two, it was more or less felt that the gold mining interests which control the property could not bring into being the particularly successful company which it has turned out to be. St. Lawrence is now a fairly large producer of newsprint and occupies an interesting position amongst the newsprint producers of the province of Quebec. Or, in other words, the management and the directorate of the St. Lawrence Paper Mills in developing the property and bringing it to its present satisfactory position, have sprung something of a surprise on the other and larger newsprint interests of the Dominion.

While all this is so, the company has not yet been sold and it is understood that the majority interests demand a substantial price for their holdings. Thus, it may be some time before the shareholders can anticipate either a dividend on the stock, or the sale of the property at a handsome price.

New Immigration Policy Curbs Private Agencies Settling Canadian Lands

British Movement in 1928 Will Likely be Slowed Up by Further Restrictions—Staff to be Increased—Outside Agencies Will be Put Out of Business

Announcement of the Minister of Immigration, Hon. Robert Forke, that unlimited acceptance and placement of farm workers and domestics from the British Isles will be the Government's policy in future, appears, on the surface, to offer a solution to one of the most vexing and pressing problems confronting the Dominion.

The despotic manner in which the government officials have carried on their work in the past, has not been conducive to good results. Assistance from outside agencies has been received grudgingly or not at all. Representations have been made by public bodies asking for a more comprehensive policy so as to allow a freer movement of settlers to this country. The matter came to a head at the recent meeting of Provincial Premiers in Ottawa. It was stated in no uncertain terms that the present policy was unsuitable. At a subsequent conference with officials of the Department of Immigration, Hon. Robert Forke made the above announcement.

A memorandum has been prepared by the Department covering procedure to be adopted for the movement of British immigrants under the assisted passage scheme in 1928. A careful perusal of it, which is printed hereunder in full, shows that instead of removing the strangling red tape, restrictions of a more subtle kind have been put in force which will further tend to slow up immigration.

Under the present proposal every migrant brought out to Canada under the assisted passage scheme will have to be approved by the Department. This suits the books of the officials and will provide employment for many more of their friends, but the valuable assistance of the private agencies and the elaborate systems built up by them, will be done away with. Details of the agreement follow:

Agreement in Detail

Instead of fixing departmental quotas as last year, for experienced. partly experienced and inexperienced farm workers, the government will assume responsibility for the placement of all the experienced farm workers and house-workers that can be secured, and of all the inexperienced farm workers and house-workers that may be nominated.

In view of the importance of this branch of the work, every effort will be made to increase nominations both personal and descriptive. The department will give publicity to the scheme so that British subjects in Canada will be encouraged to nominate.

Nominations will include agricultural families, single farm laborers and house-workers. The department will not insist on the person nominated having had any particular experience in the occupation they are to follow in Canada, provided their general fitness in other directions is satisfactory.

Nomination forms will be procurable from the department at Ottawa, division immigration commissioners at Winnipeg and Vancouver, from district superintendent and supervisors of the Land Settlement Branch, from chartered banks, from any official of the colonization department of the C. N. R. and the C. P. R., from any other immigration organization operating under the auspices of religious bodies and from certain provincial government representatives who will be named later.

Remove Delays

In order to remove any cause for delay in handling these nominations, the papers when completed should be forwarded to the nearest district superintendent or field supervisor of the Land Settlement Branch, or to any provincial government official who may be named later.

Nominations of house-workers destined to points west of Ontario should be sent to the nearest district superintendent or field branch of the Land Settlement Branch, and those destined to points east of Manitoba boundary should be forwarded to the supervisor, women's branch of the department at Ottawa.

Nominations, whether for farm workers or houseworkers, arising in the Eastern Townships, of Quebec, may be sent either to the Land Settlement Branch or to the Eastern Townships Immigration Society, Sherbrooke, Que.

Nomination papers will be examined immediately, and, if approved, will be forwarded by first mail to the director of immigration for Canada in London. All those interested in promoting immigration are invited to co-operate in encouraging employers in Canada to complete nomination papers if they wish to secure British farm workers or house-workers, experienced, or inexperienced.

The department urges the widespread development of the nomination system with its offer of satisfactory placement and yearly employment, in preference to bulk nomination, which experience shows results in a small percentage of satisfactory settlement and in adverse criticism, both of which tend to impair immigration effort in the British Isles.

Bulk Nominations

In order to meet any demand for farm labor which may not be taken care of by departmental placing and nominations described above, immigration and colonization organizations, including those operating under the auspices of religious bodies, are invited to place in the hands of any district superintendent of the Land Settlement Branch, information as to the number of experienced or inexperienced farm workers which they think they can place in that district. The district superintendent, if satisfied that the demand exists, will wire the department, and authority will be immediately cabled to London for whatever movement is approved. In this way delays will be eliminated and group movements can be increased or reduced from month to month as the circumstances require.

May 15 Last Date

Sailings under bulk nomination will end on the 15th May unless it is shown that there is a demand which is not then being met by departmental placings and nominations.

The department will continue to co-operate with any province desirous of assisting in the selection overseas, or in the placement in Canada, of families, single men, or house-workers, experienced or inexperienced.

The department will continue to co-operate with all societies and organizations engaged in promoting juvenile immigration, including lads under seventeen, for farm placement.

Efforts will be made in every legitimate way to increase the flow of British migrants under the Empire Settlement Scheme. All other interests are invited to co-operate in recruiting suitable persons.

With the establishment of the Canadian medical inspection, which will come into effect shortly after the new year, the regulation calling for a sailing permit for unaccompanied women will be abolished.

While co-operation in recruiting will be welcomed from every source, control of selection of all those receiving Empire Settlement assistance will be in the hands of the Department. The necessary additions to the department staff of interviewers will be made so that there will be no undue delay in conducting interviews.

Experimental Taxation is Likely to Follow Provincial Conference

As Result of Failure of Ottawa Conference to Reach an Agreement Upon Two Questions of Subsidies and Sources of Revenue, Business Men of Canada May Look for Period of Trial Taxes

By M. GRATTAN O'LEARY

OTTAWA.—As a result of the failure of the Dominion-Provincial conference to reach an agreement upon the two questions of subsidies and sources of revenue, the business men of Canada may look forward to a period of experimental taxation.

Provincial delegates left Ottawa last week, after the conclusion of the conference, with the avowed purpose of seeking new sources of revenue to meet increased expenditures made necessary by various reasons.

Old Age Pensions

In British Columbia the provincial government has adopted old age pensions, and, in addition, is faced with heavy charges in connection with the Pacific Great Eastern Railway At the conference, British Columbia made a substantial but fruitless effort to have this railway taken over by the National railways, and, also, to have the federal subsidy enlarged to take care of expenditures under the pension scheme and in general development.

In Alberta, the provincial government is going behind more than $2,000,000 per annum on account of provincial railways, which the federal government will not take over. This deficit will have to be made good in the only possible way—by additional provincial taxation.

Federal Subsidy

The Saskatchewan government made a strong plea for the retention of the present federal subsidy in lieu of lands as well as interest on moneys secured from pre-emptions. This would amount to a very large sum and the province, if it must have it, will have to tap new sources of revenue.

Premier Bracken, of Manitoba, announced that he would accept the old age pension scheme and would have to seek new taxes to pay for it.

The two central provinces—Ontario and Quebec—are in a sound position and gave no indication whatever of increasing taxation.

Broaden Taxation Field

The position of the Maritime Provinces, however, is well known. All three provinces will have to broaden their fields of taxation.

This sum up of the statements made at the recent Dominion-Provincial conference is not given to prove or to suggest that these provinces are in an unhealthy state financially. Apart from the Maritimes, the western provinces, according to their delegates, were never before in such a prosperous condition. However, all of them require more money for provincial purposes. They have been delaying action in the hope that the federal government at the conference might agree to increase the subsidies or give up some disputed source of revenue. Now that these hopes have been completely shattered they are going back to their governments to figure out new taxes, so that legislation will be ready when the provincial legislatures assemble.

Source of Revenue

In addition to this, there are strong indications, according to the provincial delegates, that the provinces may lose at least one rich source of revenue. This is the gasoline tax which brings in many millions of dollars annually to provincial treasuries. This tax has been challenged in British Columbia on the ground that it is an indirect tax and beyond the power of the provinces to impose. The case is to go before the courts and until decided will cause most provincial treasurers considerable worry. The delegates from British Columbia seemed very dubious as to the outcome.

In regard to the delimitation of field of taxation, the conference accomplished little or nothing, although this question was debated at length. The provinces, for the most part, would have the federal government retire from the field of direct taxation or, failing this, to purchase certain rights in that field by increasing the subsidies. This is a principle which was agreed upon at the time of Confederation, when the federal government took the customs and excise fields and compensated the provinces by giving subsidies therefor. The provinces resent the federal income tax, and would be happy if they could obtain this fruitful source of revenue for themselves.

Company Control

In other directions, while the conference may not have achieved very much, there will be some benefit even if only of an educational character. Upon the thorny question of company control, no progress whatever was made, except in one or two unimportant particulars. Here again it is a conflict for money. The provinces seek to eject the federal government from a highly remunerative taxation field. Incorporations and licenses yield rich revenues and are easily handled. The federal government desires to enlarge its field of jurisdiction for the same reason. The result of such a conflict, of course, must be unfortunate for business.

Companies in Canada are probably paying twice as much as they would do if there were no dual control, and, in addition, there are innumerable "red tape" statutes, enacted purely as offensive or defensive measures in the battle between the two governments. In this contest the companies really have no concern whatever.

Incorporation Question

Agreement was reached, however, in regard to incorporation of companies hereafter. The federal government undertook to incorporate companies only for federal purposes. Where a company is purely provincial in character, incorporation will be refused. The provinces, in return, agreed not to incorporate a company which was national in character. Thus it will be impossible for the federal authorities to incoporate local liquor export companies, as was done in Ontario in the later years of prohibition, and, also, is being done to-day in British Columbia, without the consent of the province. Controversies such as the one between Hon. W. F. Nickle and Hon. Jacques Bureau will not recur.

The federal government also agreed to give to the provinces complete authority to regulate sale of shares and securities in all federally incorporated companies. This was sought by the western provinces and Ontario in order that the innocent investor might be safeguarded.

Otherwise the conference was barren of concrete results. Most of the delegates returned home in the expectation that another conference to consider the tangle in company control will be called within the next 12 months.

FORECAST RECORD PROFITS IN 1927 FOR CAN. ALCOHOL

Report Will Go Forward to Shareholders Soon

From Our Own Correspondent

MONTREAL. — The annual report of the Canadian Industrial Alcohol for the year ending September 30 last, will go forward to the shareholders within a few days and will reveal that the company has just experienced the best year in its history. Earnings on the common stock in 1926 were $2.63 per share. No information is yet obtainable regarding how much the company has earned on its common stock, but any estimates made of earnings per share during the past year must take into consideration the fact that at the close of 1926 the company declared a stock bonus, which increased the number of common shares outstanding from 800,000 to 960,000.

One financial writer recently criticized the Canadian Industrial Alcohol Co. for not giving more particulars regarding its recent purchase of the control of the McNish distillery in Scotland. The transaction was financed in part through the sale of McNish debentures guaranteed as to principal and interest by the parent company, the Canadian Industrial Alcohol.

As far as the security back of these debentures is concerned, it is obvious that with the guarantee of Canadian Industrial Alcohol they are gilt-edged. Regarding the actual purchase of the control of the McNish property, it is not the usual habit of industrial corporations to publish full particulars of each little expansion which is undertaken. No doubt, though, with the growth of the subsidiary, in time the shareholders of Canadian Industrial Alcohol Co. can look forward to the publication of the full particulars of this company's operations.

LAURA SECORD PROFITS GROW; ADD TO SHOPS

Continued Progress for Year Ended September 30 is Shown

Earnings of Laura Secord Candy Shops, Ltd., for the fiscal year ended with September 30, last, show that the company has experienced exceptionally good business. This company, as is well known, manufactures all its own products in its own factories, which are located in Toronto and Montreal, and distributes its products through its own retail organization throughout the country.

Analysis of the balance sheet discloses the fact that current assets now stand at $429,743, and current liabilities at $29,282. Current assets are, therefore, over 14 times the current liabilities. The working capital amounts to $400,461, as compared with $257,465 a year ago, an improvement of $142,996.01. Cash position has also been greatly strengthened, standing at $106,005 at the close of the year, as compared with $49,041 a year ago, an improvement of $56,953. The amount written off for depreciation reserve this year indicates the conservative policy of the company. Reserves for this purpose now amount to $60,202.

Now Operate 61 Stores

There has been a steady increase in earnings in the past five years. For the three years ended September 30, 1926, average earnings totalled $147,830, while for the year 1926 itself, the total was $150,568. For the year just closed, a further advance to $167,811 was recorded. This is an increase of $17,243, after making generous allowance for depreciation, indicated above, and making ample provision for income taxes. These earnings are equivalent to 22.3 per cent. on the preferred stock.

Earnings on the common have shown a corresponding betterment. For the three fiscal years ended 1926, $2.72 a share was earned. For 1926 and 1927, $2.80 and $3.54 a share, respectively, was recorded.

In accordance with the general policy of the company, a number of stores have been added during the year. At the close of the previous year, there were 57 stores in operation, of which 32 were located in Ontario and 25 in Quebec. At the close of the present year, the total stands at 61, of which 34 are located in Ontario and 27 in Quebec.

IMMENSE GAINS BY INTER. PAPER PROMISE WELL

Consolidated Earnings Statement for Third Quarter is Gratifying

From Our Own Correspondent

MONTREAL. — The consolidated earnings statement of the International Paper for the third quarter of the current year is interesting. The figures showing the immense gain in the total revenue follow:

Quarter ending	Sept. 30, 1927	Sept. 30, 1926
Total revenue	$4,015,364	$2,653,746
Depreciation	1,232,281	1,073,352
Int. on Fd. debt ..	1,195,862	665,492
Amor. of Bd. disc.	92,055	37,409
Res. for Inc. tax. ..	112,000	.....
Net rev. available for dividends	1,383,165	877,492
Approp. of net rev.—		
Div. on pfd. stock ..	961,057	549,633
Div. on com. stock	568,541	250,000
Total divs.	$1,529,599	$ 799,633

Nine mths. ending	Sept. 30, 1927	Sept. 30, 1926
Total revenue	$11,086,916	$7,085,409
Depreciation	3,327,762	2,899,377
Int. on Fd. debt ..	3,420,583	1,919,095
Amort. of bd. disc.	261,151	112,227
Res. for Inc. tax ..	287,000	.....
Net available for dividends	3,790,418	2,154,708
Div. on pfd.	2,418,725	1,648,742
Div. on common ..	1,342,008	500,000
Total divs.	$3,760,733	$2,148,742

While the figures for the third quarter show that earnings were marginally below dividend requirements, yet the increase in gross revenue indicates that the company is beginning to reap the benefits from its large programme of expansion. Moreover, it is understood that for the last quarter of the year, net earnings applicable to dividends will be increased and will be more than sufficient to meet the dividend requirements of both the preferred and common shares. From the shareholders' standpoint, it is satisfactory also to see the handsome depreciation allowance made during each quarter.

The figures for the nine months naturally do not allow the same proportional increase in gross earnings, but they show that dividends for the year to date have been earned after a liberal depreciation allowance. The surplus of the company at the close of the last quarter stood at $22,350,025.

Western Banks Reflect Betterment in Conditions

From Our Own Correspondent

MONTREAL.—While the larger crop in the West this year will naturally better the position of the farmer, yet signs are not lacking also that the general situation in the West is undergoing an improvement apart altogether from the mere seasonal improvement in the crop.

For instance, Maurice W. Wilson, assistant general manager of the Royal Bank of Canada, told The Financial Post out of 77 branches of his bank in Manitoba, 75 branches reported last month a decided betterment in their position as compared with a year ago. This is the more significant for Manitoba, as opposed to the other two provinces, this year experienced a disappointing crop.

The sound position of the agriculturalists of Manitoba is attributed to more mixed farming and to more scientific farming.

WAITING ON POWER

Federal Kirkland Mine is all set awaiting the power and sinking operations will then be started. It is understood that the power company promises to have power ready in a week or ten days.

MOORE ADVISES BUY THE COMMON OF CITY DAIRY

If Prosperity Continues Further Distribution Will be Made to Shareholders

Preferred shareholders of City Dairy are advised by S. J. Moore, chairman of the board, to purchase the common stock. This advice came at the conclusion of the meeting at which the shareholders ratified the splitting of the common stock four for one.

If the company's prosperity continued, Mr Moore, the opportunity undoubtedly would come for further distribution to shareholders. His advice had been similar in the past and those who had taken advantage of it had profited. Then as now, in his judgment, he was inclined to advise purchase of the common stock.

Mr. Moore explained that the split in the common stock merely had been accelerated by the cash offer for the company. In any event, it was planned for the end of next year when two objectives would have been attained. The first objective was the acquirement of $1,000,000 of government bonds, the yield from which would pay the dividends on the $565,000 of preferred stock and the second objective was to write off entirely the cost of plant and machinery. After these objectives had been reached, a much more liberal dividend policy as regards the common stock had been planned.

Mr. Moore contrasted the present position of the company with the precarious financial situation of ten years ago. To-day there was a fairly large sum of cash on hand and the company owned nearly $1,000,000 in government bonds and had valuable assets in Dri-Milk and other subsidiaries. The preferred stock in Dri-Milk, he pointed out, was carried on City Dairy books at cost, while the common stock of that company, from which a small dividend was now being paid, was carried on the books at $1.

Ten years ago, the volume of business was $1,300,000. To-day it is in excess of $5,300,000 annually. Instead of writing off the plant by the end of next year, it is now planned to spread the depreciation over five years, so that the earnings for the current year will be between $60,000 and $70,000 greater than last year, when the total was $278,000 after absorbing $130,000 by way of depreciation.

The proposed gift of 500 shares of common stock to W. J. Northgrave, president, was also ratified.

HIRAM WALKER MERGER DETAILS ARE EXPLAINED

Shareholders of Hiram Walker, Ltd., at the annual general meeting in Walkerville, November 15th, ratified the absorption of Gooderham & Worts, Ltd. It was announced that the shares would be placed on a $2 dividend basis at once. The authorized capitalization was increased to 750,000 shares of no-par value. Of these, 200,000 will be issued in exchange for G. & W. shares and 60,000 will be offered holders of record of the new company at $50 the share, on the basis of one new share for each ten held. This makes the rights worth about $1 at the present market. There are 400,000 Walker shares outstanding.

The $3,000,000 which will be realized by the sale of shares will enable the company to pay off its bank loans and leave a substantial cash surplus. Hiram Walker, Ltd., began its career a year ago with a bank loan of $4,000,000. This has been reduced to approximately $2,450,000.

The new company will be known as Hiram Walker-Gooderham & Worts, Ltd., functioning as a holding company for the two operating units, W. J. Hume will be the general manager of both. Five of the nine directors of the new company are directors of Hiram Walker and it is said that this group will control the new company.

It was explained at the meeting that independent appraisal of the physical assets and independent audit of the books of the two companies had established the fairness of the merger on a share-for-share basis, although the outstanding shares of Gooderham & Worts were only half the number of outstanding shares of Hiram Walker.

Charitable Subscriptions from Bank of Montreal Questioned by Law Suit

Right of Management to Make Donations for Charity Purposes is Queried Before Courts by Three Shareholders

From Our Own Correspondent

MONTREAL.—The right of the management of incorporated companies and banks to make donations for charitable purposes is to be decided by the courts. Three shareholders of the Bank of Montreal, one of which is a hospital in the city of Quebec, are taking action in the courts here to deny the right of the directors of the Bank of Montreal to use the funds of the bank in making a $200,000 subscription to the Montreal joint hospitals' fund.

The three plaintiffs each own between 500 and 600 shares in the bank and their contention is that the directors have not the right to dispose of the profits in this fashion. The action is directed against the Bank of Montreal and its directors, with the idea of recovering the $200,000 which was donated to the Royal Victoria and the Montreal General Hospital.

The question now to be decided by the courts is one which has long caused discussion in investment circles. On the outcome of the action depends the right of corporations to make donations for philanthropic purposes.

While the custom which is being attacked is one that has long been prevalent, yet if the directors are denied the right of making such donations, it may mean that for the future the various municipal, provincial and federal governments will have to bear a burden which in reality is theirs, but which in the past has long been borne by prominent individuals and by the larger corporations. As the action is now sub judice the pros and cons of the subject cannot be discussed until after a judgment has been rendered.

THE FINANCIAL POST

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ADVERTISING RATES:
Single Insertion—$2.80 per inch.
Financial Reports, Debenture Notices, etc., 20c. per agate line.
Contract rates upon request.

SUBSCRIPTION PRICE:
Canada and the United States, $5.00 per annum.
United Kingdom, 21s.

Published by
THE MACLEAN PUBLISHING CO., LIMITED
143-153 University Ave., Toronto, 2.

MONTREAL, Southam Building, Murray R. Chipman, Eastern Manager; Rielle Thomson, Eastern Editor. WINNIPEG, 810 Confederation Life Bldg. NEW YORK, 556 Graybar Bldg., 420 Lexington Ave. CHICAGO, Room 1903, 360 N. Michigan Blvd. GREAT BRITAIN—London, The MacLean Co. of Great Britain, Ltd., 64-66 Chancery Lane, W.C. 2, E. J. Dodd, Director.

TORONTO, NOVEMBER 18, 1927

DITCHED DEACHMAN

ONE Deachman, who appears to be able to keep the wolf from the door at the same time that he is giving up his time to protecting the interests of the poor consumer before the Tariff Board, put his head into a noose the other day when he wrote a letter to the Montreal Gazette. Mr. Deachman is a most plausible individual; and considers himself something of an expert on every kind of industry. No doubt his training at an agricultural college made him the super-economist he would have the world believe him to be.

The Gazette was protesting against a tariff policy "that subjects the Canadian worker to competition from European labor, working under conditions to which no Canadian would ever submit."

Mr. Deachman set out to prove, by way of reply, that Canada now imports less steel than ever before. First, he took the dollar value of our pre-war and present imports of iron and steel products; then he wrote them down to allow for the increase in prices since 1914 and then he wrote them down again to allow for the increase in the population of Canada. The result was to prove to his satisfaction that we were each year buying less iron and steel abroad. It was a very convincing case—at first glance. It was the sort of case that Mr. Deachman has been making in his presentations to the tariff board and in his syndicated articles to Western papers.

But it neatly side-stepped the Gazette's direct charge that our importations of iron and steel products from the continent of Europe have been advancing at an alarming rate. The important movement from the Continent embraces steel billets, wire rods, bars and wire products generally. Government statistics for pre-war years did not show all the details now available, but the following figures, representing importations of blooms, billets, wire rods and bars, will eliminate any vestige of accuracy which appears to be contained in Mr. Deachman's statements:

Imports from	—Fiscal year ending March 31st—				
	1910	1911	1912	1926	1927
Belgium	7,000	12,600	12,700	24,800	50,000
France		Not shown*		10,700	8,000
Germany	34	2,700	3,600	8,300	16,800
Total ..	7,034	15,300	16,300	43,800	74,800

Figures are in tons.
*Negligible.

This tells a totally different story from that Mr. Deachman told.

The chief value of the incident is to show the public how unwise it is at any time to rely upon statistics when presented by an individual as careless in their use as Mr. Deachman. Attempts such as this one to confuse public opinion "contrast unpleasantly with the attitude of such western leaders as Premier Bracken, of Manitoba, whose avowed purpose is to promote understanding and co-operation between agriculture in the West and industry in the East," The Gazette remarks.

REINDEER MOSS

THERE are areas in the great northern Hinterland of Canada, explorers say, where the moss is sixteen feet thick. In the Yukon this moss has been removed in places by burning or other methods and revealed a fertile soil on which have been grown some of the largest vegetables of their kind in the world.

Hence "about it and about" has arisen a tremendous argument as to how the moss is to be removed in the northern regions in order that the soil may be exposed. It is something like the problem of the last century of clearing the eastern provinces of timber. What would not the country give to have that timber now?

A question of interest is whether the reindeer moss is not of commercial value. Experiments now being conducted by the chemists of the Hudson's Bay Company in London, England, reveal the fact that the reindeer moss contains 56 per cent. of carbon largely associated wth oxygen and hydrogen in the form of starch. For centuries hunters and travelers have made use of it when food was scarce by bleaching it in water and allowing the solution to cool into a composition something like blanc mange. Throughout the so-called Barren Lands and Labrador it is also used, in the absence of wood, for fuel.

It is, however, around its edible qualities that interest centres. The Provincial Conference recently expressed the opinion that the big market of the future for products of the north-west will be in the Orient. In China an edible lichen closely resembling reindeer moss is highly esteemed as a delicacy. In preparing it the dried moss is soaked in water. The small tops are then discarded and the stems only are used. West China in the province of Szechwan is the sole source of this moss and, as it is in continual demand in both North and South China, the supply is gradually being decimated. The Chinese dealers wholesale it at around Mex. 450 per picul of 133⅓ lbs., equivalent to $1.10 to $1.20 in gold per lb. weight.

As this reindeer moss is found in quantities in Northern Quebec and Ontario as well as in British Columbia and the Arctic regions, the result of the experiments being conducted in England are awaited with interest. Undoubtedly if it can be used as a substitute for the Chinese lichen the market for it is assured as the market in China can assimilate an almost unlimited quantity and the supply in that country is far from that.

CABLE DEFICITS

THE strong fight made by Hon. Charles Murphy, when postmaster-general, to instil efficiency into the Pacific Cable Board, is now shown to have been justified. The Pacific Cable Board reports a heavy deficit for the year and blames it on the beam wireless system.

This is bitter irony. The Pacific Cable Board, dictatorial and bureaucratic, voted to duplicate the Pacific cable and ignored Canada's protests that she had not been consulted. This, despite the fact that Canada is one of the supporters of the cable. Mr. Murphy, speaking for Canada, urged the board to study the beam wireless system which he felt might so revolutionize trans-ocean communication as to make a duplicate cable unnecessary.

Colonial Office officials were amazed that any Canadian cabinet minister should question their actions and policies. But Canada won out on most of the points of the dispute.

It would appear, though, that the Pacific Cable Board could stand a little more investigating. It is a heads I win, tails you lose, proposition in which Canada pays its share of the deficits and gains nothing from the profits of the past. The chairman of the board, Sir Campbell Stuart, is a Canadian, but has no background of successful private business experience and is hardly the man to win, as chairman of the board, the confidence of business leaders.

NEED FOR CAUTION

A SEMI-OFFICIAL announcement says that the Dominion government has agreed to throw open for homestead purposes land tributary to the Hudson Bay Railway. Between 6,000 and 7,000 square miles of land are involved.

Next spring will undoubtedly witness a general influx of pioneers into the territory, attracted by the offer of free land. Many will start homesteading on nothing more than the proverbial shoe string.

The territory is said to be suitable for the successful growth of wheat, oats, barley, fodder and root crops. This statement is based on results of experiments carried on at a government experimental station. Whether such will prove to be the case for large scale production is yet to be proven.

In view of the large areas of unsettled land in the Peace River and other districts of the Prairie Provinces, it behooves the Dominion government to move carefully in opening up new districts for settlement while other areas, the value of which is known, are unoccupied.

BAR OUR SARDINES

WITH one exception, there has been an amazing growth in the consumption of Canadian sardines, principally put up in the province of New Brunswick, in all foreign markets. The exception is the United Kingdom where, under present laws, French sardines find a market, but where the Canadian sardine manufacturer can only enter by the back door.

Despite the fact that the fish put up in Canada and labelled sardines are identical with the fish put up and labelled sardines in France and in Norway, yet under the present British laws the only fish that can be called sardines are those originating in French packing houses or in the island of Sardinia itself.

Here, then, is a job to which the Empire Marketing Board can immediately turn its attention. Naturally, some Canadian sardines are sold on the British market, but Canadian packers should enter the British market by the front, and not the back door. The product known and labelled as "Canadian Sardines" has been put up and sold for over sixty years.

Packers of sardines all over the world are putting up the identical fish used in the canneries in the Maritime provinces, yet because of the present regulations in force in Great Britain, there has been no growth in the imports of Canadian sardines there as opposed to the tremendous increase in the demand which has taken place in other countries during the years following the war.

The Canadian canners do not desire to misrepresent their product in England. They will always be clearly labelled Canadian sardines. The reason why the Canadian product has not found the market to which it is entitled in England is due simply to a conservatism in changing antiquated laws which at present encourage foreign packers at the expense of the British producers.

TOURISTS AND TRUTH

TRUTH in advertising has become almost universal in the sale of manufactured products. Truth in advertising is just as valuable a quality in the make-up of tourist literature. There is a tendency for communities, hotels, summer resorts and others sending out literature, to exaggerate their attractions, to misrepresent the facts and to conceal carefully any unfavorable factors. In the past, the public has treated such misrepresentation as a joke. Cartoonists for the Sunday papers have found it a rich source of inspiration and have pictured in sharp and biting contrast the dream-land of the printed literature and the disappointment of the actuality. But even at the cost of robbing the cartoonist of one of his perennial favorites, it would be well if tourist associations and institutions could be induced to adhere to the truth.

What a tourist, or motorist seeks primarily is accurate information. He wants to know what kind of roads there are in the district he is going into. The broad general statement that "there is a good highway leading to the door" means nothing. Is the highway paved, is it in good condition, is it gravel or dirt, is it even passable in wet weather? These are the things he wants to know. He wants particulars as to vegetation, water supply, beaches, scenery, etc.

Advertising of commercial products is not any the less interesting when it tells the facts and gives a true picture. Advertising of summer resorts, highways and hotels will not present any less urge to the intending visitor if it adheres to the truth unless the truth itself condemns. And if that be the case, the remedy is for local public spirit, in the case of communities and districts, and private enterprise, in the case of resorts and hotels, to create satisfactory conditions, insofar as they can be created before the beginning of an advertising campaign.

The first essential of success in an advertising campaign is a good product. This applies equally as much to resort and tourist advertising. And another essential is to tell the truth.

POOR BUSINESS

WITH the close of the present tourist season Canada will have received in the neighborhood of $200,000,000—a sum greater than the production value of many of our most prominent industries.

Its importance to the business life of our communities is readily recognized. As a means of adding to our national income it ranks among the first five sources of new wealth.

Yet it was not always so. Ten years ago revenue derived from tourists was a negligible factor in our international trade. By means of judicious publicity and advertising particularly in the United States, this trade has been encouraged and money spent on propaganda has been returned many times over.

Continuation of this traffic depends upon the manner in which we receive and give service to these visitors. The impression of Canada which they carry away with them is of more importance than the revenue received. But in the past year or two, due to the avariciousness of certain tradespeople, a large number of tourists have gone back to their homes with the feeling that they have been "stung."

Numerous cases recently have come to the attention of the authorities where tourists were forced to pay exorbitant charges for minor services. These complaints have been found to be true and steps have been taken to reimburse those people so overcharged.

Not all cases are reported. It is the duty of the government and other bodies interested in the tourist trade, however, to maintain ceaseless vigilance to see that visitors from the United States and other countries are given a square deal while in this country. It is not only good business, but a common act of courtesy.

EDITORIAL NOTES

SO MONTREAL is to have a Lord Mayor. Mederic has been waiting a long time for that gilded coach.

• • •

THE longest distance that it is now possible to telephone by wire circuits is between British Columbia and Cuba, 7,000 miles.

• • •

CONSTRUCTION of a Ford plant in Yokohama suggests that the new model may have only two wheels, like a "jin-rickey."

• • •

THE BEAM wireless may be part of the cause for the deficit of the Pacific Cable Board but members of the board are several additional reasons.

• • •

BRITISH financial papers record in their headlines that the Imps of Canada are at it again. But Imps is merely a word for Imperal Tobacco, shares of which have been rising.

Buffalo Historian Would Convince Us Laura Secord Failed

By M. M. WILNER

The fame of Laura Secord, celebrated for a century as a heroine of the Canadian border, is challenged in a new book entitled "The War of 1812 on the Niagara Frontier," published by the Buffalo Historical Society of Buffalo, N.Y. The author of the volume is Brigadier General Louis L. Babcock, a retired officer of the New York National Guard and veteran of the Spanish-American war. In civilian life General Babcock is a prominent Buffalo lawyer. He has given much study, both geographical and historical, to the military operations along the Niagara, and in general his conclusions will not arouse much dissent among Canadians. Some of them certainly will be gratifying. For example, he censures severely the Americans for setting the example of destroying towns and private property, particularly at York (Toronto) and Newark (Niagara-on-the-Lake), and he recognizes the British-Canadian devastation of the American side of the frontier from Youngstown to Buffalo as an act of reprisal for which an unjustifiable provocation had been given. Also, this American writer awards to the British-Canadians the decision on the long-disputed question: who won the battle of Lundy's Lane? On this point he says that while the Americans captured the hill and the guns defending it, they later left the battlefield to be reoccupied by the British and retired to Fort Erie, whence they had started. "It is the outcome of a battle which determines the victory, not a phase of the fighting," says this military critic.

Says Her Efforts Were Fruitless

Regarding the story of Laura Secord, however, General Babcock comes to the conclusion that "while she may have tried to give warning to the British forces, it seems fairly clear that her good intentions were fruitless."

He quotes from the historian Auchinleck the narrative of Mrs. Secord as told by herself. She was living in Queenston, where she learned of plans by an American detachment under Colonel Boerstler to attack a small party of scouts under Lieutenant FitzGibbon, encamped near Beaver Dams. Determined to warn her friends, she left her home early in the morning and, making her way through the American lines, "walked nineteen miles in the month of June over a rough and difficult part of the country," arriving after dark at a camp of some Indians, who took her to FitzGibbon. Profiting by her information, "Captain FitzGibbon formed his plans accordingly and captured about 500 American infantry and about 50 mounted dragoons." A letter also is quoted from FitzGibbon, written in 1837 from memory, as he says, in which he confirms the general features of the story that Mrs. Secord reached his headquarters, though General Babcock says that a "Close reading of FitzGibbon's certificate fails to reveal any statement that he received any warning whatever from Mrs. Secord."

When Did Orders Arrive

According to General Babcock, Colonel Boerstler did not receive his orders to march against FitzGibbon until late in the afternoon of June 23rd. Boerstler's command was then at Fort George. He started about dusk, reaching Queenston about 11 p.m., where he encamped for the night. Starting again early in the morning of the 24th, the detachment was reconnoitered near St. David's by two Indian scouts, one of whom was killed, and by two British officers. Bugles and the firing of guns gave an alarm to the countryside. Between 8 and 9 o'clock in the morning the force fell into an Indian ambuscade. It was badly demoralized and tried to retreat to Fort George, when FitzGibbon came up and demanded that the troops surrender to escape further losses at the hands of the Indians, Boerstler complied. General Babcock's comment regarding Mrs. Secord is as follows:

"If Laura Secord started on her mission at dawn on the 24th, she was wandering in the woods for many hours after Boerstler surrendered. It is difficult to understand how she could have left at dawn on the 23rd for Boerstler did not get his orders till late in the afternoon of that day. Assuming, however, that in some way she secured information that the order was to be issued and set out on the 23rd at dawn, then she must have consumed about 28 hours in traveling about eleven miles. For we have FitzGibbon's contemporaneous offical statement that he learned of the attack at 7 a.m. on the 24th, just before the command was ambushed by the Indians, who even then had taken up their positions to interrupt Boerstler's march without his (FitzGibbon's) knowledge or orders. FitzGibbon gave no orders to the Indians prior to the attack and took no steps to protect his own command other than to order them to assemble and come on after the fight had begun. The tale told by Mrs. Secord has been enlarged upon as the years have passed and, while she may have tried to give warning to the British forces, it seems fairly clear that her good intentions were fruitless. The Indians probably got word of the attack from the warrior who eluded Boerstler's flankers at St. David's early that morning."

One who traverses the Niagara frontier on either side of the border to-day will not find it easy to think of the region as the scene of marching columns, ambuscades, battles, victories, retreats, burning villages and populations in panic-stricken flight.

Nevertheless, no people wish to lose or forget the records of their history, and every contribution that tends to throw more light even on minor points arouses a deserved interest.

FOLKS and Finance

SIR Herbert S. Holt was an engineer and contractor on the C.P.R. when the first line across the country was being built. As such he was entitled to be present at the ceremony of driving the last spike at Craigellachie.

The editor of Mayfair reports that he once asked Sir Herbert where he stood in the picture.

"I was not there. I was too busy," was Sir Herbert's reply.

This is indeed the key to Sir Herbert's success. His mind and body are at work for long hours each day. There is little time in Sir Herbert's life for ceremony or play. He plays no golf; attends no dinners; reads more balance sheets than novels. Few people would enjoy such a life, but accomplishment of a gigantic business effort is the only thrill Sir Herbert asks in life.

POST-Scripts

AS ONE group of Canadians is stenping out of the Mond Nickel picture, another steps in.

Last summer, when Mond shares were selling at only 37 shillings in London, a number of far-seeing Canadians sent orders to London for stock. When the shares rose above 60 shillings most of them sold out. But because of the recent developments at the Mond property which have proven, at depth, the existence of a copper ore body of great richness, many informed Canadians who have not previously held stock are now buying it in, paying over 70 shillings a share. The first group are satisfied with the profit they have made and have few regrets at having sold too soon. The new group are convinced they will make good profits in time.

ON HIS own admission, Victor Ross, vice-president of Imperial Oil, Ltd., is one of the poorest customers of filling stations. While his opulent neighbors in the fashionable Rosedale section of Toronto ride the two miles to and from their offices in limousines—which Mr. Ross characterizes as hermetically sealed caskets—he will walk of a morning to 56 Church Street.

The peripatetic Mr. Ross follows different routes, and finds food for thought and entertainment in the conversation of the school children whom he meets. He takes his time and may stop a few minutes at Wellesley hospital, in which he is interested.

To those of his neighbors who declare that they find the automobile quicker, Mr. Ross retorts that when he finally reaches downtown, those who have been propelled by gasoline-consuming vehicles are not yet at work, but are still discussing the yesterday game.

Mr. Ross denies that the high cost of gasoline is the reason for his walking.

As Others See Us

Hard to Understand

Grain Trade News.—The wheat pools are having a lot of trouble trying to explain to members why the cheques sent out in payment for wheat do not agree with the figures published by the Pool as the final payment basis, or as the total payment basis for the year. It is not much wonder that this is the case, since no sensible man could understand why a fictitious figure should be announced as the Fort William basis when the cheques show that certain primary costs have not been taken account of in this figure, and that the actual basis is considerably lower. Take, for example, two out of four deductions that have to be made to arrive at the real basis of payment. One of these is carrying charges on wheat before it reaches Fort William and the other is the management costs of the provincial Pools which operate between the farmer and Fort William. The manager of the Saskatchewan Pool a few days ago delivered a long radio talk trying to explain that charges like these had to be deducted from the cheque, no matter what the Pool publicly stated its Fort William basis to be. There was one explanation he did not make, namely, that if the Pool publicly announced its actual Fort William basis the comparison with open market prices would be still more unfavorable than it is.

"Stop Me If You've Heard This One"

They tell a story of a merchant prince of Western Canada who was somewhat tight-fisted and careful in both personal and business matters. One afternoon he had to attend a funeral. He hitched the horse to the family carriage and went to the ceremony. On the way out to the cemetery, the procession stopped in front of his store for a minute because of some little tie up in the traffic. The merchant prince, it is said on good authority, jumped out of his buggy, rushed into the store and called out to the head clerk, "Any parcels for the north end? Give them to me and I can deliver them while I am out there."

Stock Market Transactions

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Comments

Remarkable Remarks by Interesting People

Herbert B. Swope, managing editor, New York World: "The qualifications of a shoe are just as interesting to the public as the qualifications of a candidate. The American people wish to be informed and it is one of the services of the advertising man to do it."

Alfred P. Sloan, Jr., president, General Motors Corporation: "The used car situation is one of the greatest problems facing the industry and its proper solution rests upon a better understanding between the various dealers. When ways and means are worked out satisfactorily the auto industry as a whole will be greatly benefited."

Chief Justice Meredith, of Ontario, to a bootlegger acquitted of manslaughter: "If you take my advice, you will stick to bananas and oranges. You may get rich as quickly on bananas and oranges as you will any other way. Sixteen months in jail on a charge of which you are not guilty—perhaps the law of averages is not much at fault."

Other People's Views

Nova Scotia Mining

Halifax Herald: Canada in a remarkably short time has forged ahead as a mining country. To-day it occupies a place in the very front line among the nations which are mineral producers.

Literature, such as the "Survey of Mines," which has just been issued by The Financial Post, cannot fail in supplying a real service with a valuable effect to the progress of Canada's mining industries.

Speaking from the view-point of Nova Scotia's needs, however, the publication mentioned hardly gives the standard of treatment to the mining development underway in this province that one would expect from so alert an industrial publication as The Financial Post. While mention is made of several mining industries in Nova Scotia, established or in the process of development, the information given is incomplete. The notes on mining developments in this province are too brief and in some cases they are not up to date.

Such attention which this province has so far received from The Post and other Canadian publications has been appreciated here and this comment is made not in the spirit of ungenerous criticism, but rather to indicate where the services of the press toward Nova Scotia could be improved, as we feel that papers of the stamp of The Financial Post have the interest of this part of Canada at heart as much as any other part of the Dominion.

Massey-Harris Company Ltd.

Twenty-year 5% Sinking Fund Gold Debenture Bonds

Dated: October 15, 1927
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These bonds are the first charge on the assets of one of our oldest and largest industrial organizations.

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May we have the opportunity of explaining this service in detail to you?

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INQUIRIES INVITED

Your Investments

Investment questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published in this column. We cannot extend this service to non-subscribers. A two-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write mining, insurance inquiries on sheets separate from other investment inquiries.

International Power Securities

I hold some 7 per cent. secured bonds of the International Power Securities Corporation. Kindly let me have your opinion on this security.

The International Power Securities Corporation bonds were sold and sponsored by a strong financial interest. This naturally adds to their attractiveness. The bonds, in addition to being a direct obligation of the International Power Securities Corporation, are secured by a mortgage on subsidiaries of the corporation.

In our opinion, the bonds are well secured, both as to capital and as to interest. The satisfactory yield which you obtained is due to the fact that the corporation's holdings are in foreign countries.

General Combustion Co.

Do you consider the common stock of General Combustion Company a good investment?

We understand that application will be made eventually to list the shares of the General Combustion Company in the stock exchange. In the meantime, we believe that the shares are not an investment but a speculation. The company has a satisfactory board of directors. You must remember, though, that the company is developing new fields, which naturally increases the speculative element surrounding the security. For the smaller investors, we always think they would be well advised to purchase securities for which a ready market is obtainable.

Ottawa Power

I should be glad of any information you may have re Ottawa Light, Heat and Power Company, preferred stock. Do you think it would be a good investment for a woman of small means? What are its possibilities for future growth and safety?

In 1922 the Ottawa Light, Heat and Power Company had no preferred shares outstanding. Next year it earned over 14 per cent. on the issue, and in the three succeeding years, earnings applicable to the preferred have been over 20 per cent. Thus you will see that there is a strong earning power behind the preferred stock of the company. Ottawa Light, Heat and Power preferred would be a satisfactory investment for a woman. She should not, though, confine her investments only to this one issue. Diversification is the basis of all sound investment programs.

Of course, little appreciation can be expected in preferred stock issues. We believe though that the earnings applicable to the preferred shares will continue to increase in the future and that the position of the stock should therefore be the stronger.

Power Corporation

Please give me your opinion on the following stocks:
Power Corporation.
Asbestos Corporation.
Massey Harris.
Imperial Oil.
Industrial Alcohol.
Brompton Pulp.
Which of these stocks at the present market price can give more profit in a short time, say six months?

All the stocks which you have mentioned look like excellent long hold propositions. Power Corporation has recently appreciated greatly and further large immediate price appreciations can hardly be anticipated.

Asbestos common has also appreciated and it is our opinion that dividends on these shares are still some distance off.

Massey Harris is a satisfactory hold over a term of years.

Imperial Oil and Industrial Alcohol may perhaps show an appreciation in six months or a year. These two stocks look the most attractive for a short hold but it is impossible to pick winners in this fashion.

Brompton Pulp is increasing its earnings and also looks to be a satisfactory long hold purchase.

Canadian Bronze

I would appreciate it if you would let me have any information in respect to the stock of the Canadian Bronze Company, which is quoted on the Montreal Stock Exchange. I would like some information relative to their earnings, and if possible appreciation in value of the stock within, say, the next six months.

The Canadian Bronze Company was organized last spring to acquire the assets and undertakings of Canadian Bronze, North Western Brass and St. Thomas Bronze Company. The company's stock issue consisted of $1,250,000, seven per cent. cumulative, sinking fund preference stock, and 40,000 shares of no par value common stock. The entire issue was over-subscribed, but in the prospectus of the issue, the price of the preference stock was quoted at $100 per share and the common at $40 per share.

The preferred is now selling around $105 and the common around $59. It is difficult to say what the appreciation of the stock will be in six months time, but the stock unquestionably has attraction for a long hold. The earnings of the predecessor companies, after making allowance for depreciation, non-recurring salaries, expenses, income tax, etc., over a ten year period, were approximately twice the dividend requirements on the new preferred stock. The old management remained with the new company and this year's earnings will compare favorably with those in the past. The company's directorate is an exceptionally strong one and the future of the company appears to be most promising.

National Breweries

I am a widow with a limited amount of capital which I wish to invest. I would like to realize as much as I can consistent with safety of principal. Would you be good enough to give me your opinion of my holdings of the stock of National Breweries and Quebec Power?

We judge that you purchased your National Breweries holdings at considerably below their present level. Thus, you should be obtaining a satisfactory yield on your investment, with which you have also coupled a very satisfactory market appreciation over the last four or five months. Provided there is no major decline in the stock market on this continent, we believe that National Breweries will show a still larger appreciation in the future. In other words, if you can afford to hold your National Breweries for, say a year, we believe that you will obtain materially increased prices for your stock. The company is steadily bettering its earnings and its general position.

You have done very well with your Quebec Power Company stock. These shares are a satisfactory investment for a woman and over a term of years, we believe, will show still further market appreciation. This company, as you are aware, is controlled and ably managed by the Shawinigan Water and Power Company. The shares will go on a $2.00 annual dividend basis during the current quarter. We think, though, that it may be some time before the dividends will be again increased. This seems obvious in view of the tremendous betterment in the company's position over the past year or two. At present market prices, the yield on the stock is low, but on your original investment you are probably obtaining a very satisfactory yield.

With any decline in the security market, Quebec Power would probably sell at considerably lower than its present prices, but this should not worry you, as there is no doubt whatever about the company being able to steadily meet its dividend requirements. The city of Quebec is being developed more and more industrially and, therefore, we believe that the demand for power there will increase. This will increase Quebec Power Company's earnings in the future.

The Prudential Trust Co.

Kindly give your opinion as to the financial standing and prospects of the Prudential Trust Company. I hold stock with 70 per cent. paid, a further call of 10 per cent. is now being made. The question is whether to pay this call or to let the stock go for what I can get for it.

The shares of the Prudential Trust Company are an out and out gamble. There is little market for the stock, but you could probably obtain $10 a share. Over the past few years the company has been in an exceedingly poor position, with assets which were below the par value of the shares.

However, the position of the company has improved a little over the past few years and the management feels that this improvement will be continued.

In the meantime, some of the shareholders are asking for proxies to oust the present management.

If you do not meet the call on your stock you will forfeit your holdings, so that you have to decide whether you consider the present management, or a new management capable of re-establishing the company on a sound basis or not.

It seems to us that over a period of years the position of the company should improve whether the management be changed or not. On the other hand, you could probably find a much better outlet for your funds than in paying up this call.

You have asked us a hard question but we are inclined to believe that you might be well advised to retain your interest in the company by paying the call.

On the other hand, we know of many people with a knowledge of the company's operations, who feel that you would be well advised to sell your present holdings for what you can get for them. If the total amount involved is not large, we would advise you most strongly to pay your call if you have to do so. In the meantime, the shareholders of the Prudential Trust Company are organizing to prevent the call being made.

If you are interested to a large extent in the company, you had better get in touch with the shareholders' committee. This committee has already circularized you, we believe.

Some Good Investments

I have been a subscriber to your valuable paper for the past ten or fifteen years. I enclose a list of my investments and would appreciate your criticism and advice. I carry $25,000 insurance and have about $2,000 to $2,500 each year for investment.

Do you think I should make any change in the stocks I hold? Would you sell Montreal Power, Shawinigan or Bank of Nova Scotia now, with the hope of being able to buy them back later at a lower price?

For future investment, what class of security would you suggest? What would you think of buying 10 shares of Imperial Oil and 10 shares of Canada Cement preferred?

Bonds
$2,500 Dominion of Canada, 5%, 1943.
500 Dominion of Canada, 4½%, 1940.
500 C.N.R. Dom. Guaranteed, 5%, 1954.
500 Province of Ontario, 5%, 1948.
2,000 Province of Ontario, 6%, 1943.
2,000 Province of Ontario, 5½%, 1942.
500 Province of Ontario, 6%, 1935.
500 United States of Brazil 6½%, 1957.
2,500 C.N.R. Dom. Guaranteed, 5%, 1954.
1,000 Bell Telephone of Can., 5%, 1955.
500 Dominion of Canada, 5%, 1943.
500 United Secur. Ltd., 5½%, 1952.

Stocks
18 shares, C.P.R. Common.
20 shares Bell Telephone of Canada.
30 shares Montreal L. H. & P. Consolidated.
22 shares Shawinigan Water & Power Co.
10 shares Penman's preferred.
10 shares Sherwin Williams Paint pref.
5 shares Howard Smith preferred.
4 shares Bank of Nova Scotia.

We consider you would be better advised to hold on to your Montreal Power, Shawinigan and Bank of Nova Scotia stock, rather than to sell at the present time. The list of investments which you have forwarded us, we consider an excellent one. All the bonds, with the possible exception of United States or Brazil, are of outstanding merit. The Brazil bond is but a small one, which we think you are warranted in holding in view of the soundness of the other bonds, even though it is somewhat speculative.

C.P.R. common is an excellent stock which should appreciate in value with the development of the country as a whole.

Bell Telephone of Canada has a splendid future before it.

The earnings of Montreal Light, Heat and Power Consolidated should continue to grow with the steady expansion of Montreal. The rapid expansion and demand for hydro power make Shawinigan Water and Power Company stock an attractive holding.

Penman's is one of the outstanding textile companies of Canada.

Sherwin-Williams Paint is a strong company with a splendid record of earnings behind it.

Howard Smith is one of the attractive paper stocks. Bank of Nova Scotia is an excellent investment.

As to future investments, if you are more interested in present yield rather than future appreciation, we would suggest the preferred stocks of Winnipeg Electric, Consumers Gas, Famous Players Canadian and Laura Secord.

Imperial Oil is an attractive long hold purchase. Canada Cement preferred would be a suitable purchase for you.

New Eng. Investment Trust

Have you any information that would explain the drop in the shares of New England Investment Trust from 12⅝ to 11¾?

We think the drop in collateral trustee shares held by the New England Investment Trust, which you refer to, may be explained by the general weakness of the market at the time, which was reflected in a great many stocks. When the price of collateral trustee shares moved up to 12⅝, the Dow Jones Industrial averages reached $199.78. When the market weakened Dow Jones Industrial averages worked down to $179.78, a drop of 20 points or 10 per cent. The collateral shares, at the same time, dropped to 12⅝, or only 3 per cent. In the light of this comparison, we think the showing of collateral trustee shares a very creditable one and we do not think the drop of sufficient proportion to be viewed with alarm.

Faces Possible Disability

The writer is a professional man with ample present income for family needs, present and prospective, but liable to complete disability against which contingency he can obtain no insurance. If such occur he will be dependent on his wife's exertions and on investments which are as follows: (Approximate market as of to-day).

Bonds	Capital	Income
Dom. Govt. bonds	$2,790	$140
Prov. & Municipal	5,370	300
Foreign Govt. (German 7%, Brazil 6½%)	1,949	135
Foreign Industries (Int. Power Sec.)	968	70
Domestic Indus.	600	33
Total bonds	$11,677	$678
Preferred Stocks—		
Winnipeg Electric	$1,075	$70
Mackay	1,000	60
Can. Bread A	1,950	84
Do., B	1,100	70
Lake of Woods	875	35
Price Bros. (paper)	1,040	65
Asbestos Corp.	950	70
Atlantic Sugar	1,800	..
Total Pref. Stocks	$9,790	$454
Common Stocks—		
Bell Telephone	$1,110	$56
Am. T. & T.	2,200	108
Mackay	600	35
Brazil	5,170	150?
Laurentide (paper)	1,060	60
B. A. Oil	3,105	70?
C. P. R.	1,900	100
Total common	$15,145	$559
Mines and Prospects—		
Gladstone	$ 400	..
Gold Hill	200	..
Nipissing	1,300	60?
Noranda	2,970	..
Total mines	$4,870	$60
Cash	4,000	160
Grand Total	$45,472	$1,911

The writer interprets his position as demanding a fairly liquid condition for the bulk of investments, with the predominant desideratum a good prospect of capital appreciation over a term of years, present income and yield being of value only in so far as they contribute to that goal, by their accumulation and re-investment. He has no great anxiety as to his health or the imminence of total disability, but must face the possibility.

He would appreciate your criticism of the above investments from the point of view of

(a) The present market—should any be liquidated at the present time? Should any holdings be increased? Should any new stocks be bought? Any wider diversification sought? Note absence of steels or heavy manufacturing.

(b) The stability of the investments made for the peculiar case of the writer.

We have given your letter some little thought and have come to the conclusion that in the main your investments are well suited to the situation you describe as appertaining to yourself. As you are not interested in immediate returns on your investment, it has occurred to us, however, that you might wisely and profitably place a somewhat larger proportion of your capital into common stocks of good reputation and record.

We do not think that you should disturb your investments in bonds as this background is excellent, but think perhaps that you could advisedly switch some of your preferred stock into common stock.

For instance, it might be suggested to you that the common stock of Winnipeg Electric could well be substituted for the preferred stock of the same company. This will reduce your yield somewhat, but as this company shows every indication of making rapid progress in the future, the advance in the price of the common would more than offset any temporary loss in income, in our opinion. Also you might put some of your cash reserve into the common stock of Power Corporation of Canada which controls Winnipeg Electric and a number of other growing and prosperous power companies in Canada.

The same might be suggested with regard to Canada Bread A. The common stock of this company is an excellent investment in its class. You could wisely of course, continue to hold the B stock for the reason that the B stock is participating. It is reported that Atlantic Sugar, to mention another of your preferred stocks, is in an improving position and in view of this the present would seem not to be a time to sell.

If you are interested in achieving a well-rounded investment list we think you should not overlook the possibilities of Steel Company of Canada. This company is certain to progress with the country. You might buy in this case either the preferred or common stock because the preferred is participating.

Our mining editor is favorably impressed with your commitments in the mining field. Your two smaller investments are the two most speculative.

International Power is worth some attention.

Laura Secord convertible preferred is a stock of a company with a good record and a promising future. The company is a step-sister of Fanny Farmer.

When Women Invest

To Place Widow's $9,000 Where it Will be Safe; Bonds Are Sold to Buy Preferred in New Company; Holder is Worried

A Weekly Feature.

Will you please suggest investments for a widow with $9,000, safety of principal and yield being the primary consideration?

We believe the following list of bonds would meet the requirements of your client. In making the selection, we have considered safety of principal rather than attractiveness of yield. We think, however, that the return on these bonds will prove as high as can be expected from absolutely gilt-edged securities at the present interest rate.

Dominion of Canada Guaranteeing C.N.R. 4½ per cent. bonds, due September 15, 1954, price 99.50, yield 4.55.

Dominion of Canada Guaranteeing C.N.R. 4½ per cent. bonds due July 1, 1957, price 99.50, yield 4.55.

School Municipality of Grand' Mere, Quebec, 5 per cent. bonds, due June 1940, yield 4.9.

Bell Telephone 5 per cent. first mortgage bonds, due June 1, 1957, price 103.25, yield 4.85.

C.P.R. 4½ per cent. note certificates, due December 15, 1944, price 98, yield 4.63.

Gatineau Power 5 per cent. first mortgage bonds, due June 1, 1956, price 99, yield 5.10.

Montreal Light, Heat and Power 5 per cent. first refunding bonds, due October 1, 1951, price 102, yield 4.85.

Newfoundland Light and Power 6½ per cent. first mortgage bonds, due June 1, 1949, price 104, yield 6.15.

Fraser Companies, 6 per cent. first mortgage bonds, due January 1, 1950, price 102, yield 5.85.

Stock for Appreciation

We think that your client also might invest $1,000 or $2,000 of her capital in the stock of Consumers' Gas Co., Toronto. This would give her a somewhat higher yield than can be obtained from the government, municipal or utility bonds, which we have listed in the foregoing. We believe that her capital would be virtually as safe in Consumers' Gas as in the bonds of many utilities. There are no bonds or preferred stock having prior charges on the earnings of Consumers' Gas. At the same time, shareholders occasionally have an opportunity to subscribe for additional stock at lower than market prices, which adds to the yield if these rights are sold or appreciates the principal if they are retained.

For your client to confine her investments to bonds is to preclude the possibility of her ever increasing her income from investments by any appreciable extent.

Bought Ice-o-Matic

I come for help. This spring a brokerage salesman persuaded me to exchange some of my gold bonds, yielding me 6 per cent., into the preferred stock of Ice-o-Matic Refrigeration Co., yielding 7 per cent., with a bonus of common stock, interest payable at once.

Three dividends have been passed. On inquiry, I cannot get any satisfactory information.

From what little we have been able to learn about the Ice-O-Matic Refrigeration Company, we doubt if the future of the company can be construed as hopeful. It is regrettable that you allowed yourself to be persuaded into investment in this company in any considerable amount. At the best, the enterprise is a promotion and cannot be classed as an investment. Promotions are not investments for a woman. They are speculations even for a business man.

Facts affecting Stock Values

A letter, devoted to discussing underlying factors affecting stock values is issued weekly by our Stock Exchange Department.

It also discusses current items of interest affecting individual companies, interprets balance sheet figures, etc.

You can obtain a copy of the current issue by telephoning, writing or calling.

Write to Dept. W-4

Greenshields & Co
Members Montreal Stock Exchange
17 St. John St., Montreal
also Mount Royal Hotel Building
TORONTO 14 King Street E. OTTAWA 46 Elgin Street
QUEBEC 80 St. Peter Street
99

Lacking in Pep?
Let me make a health analysis from your handwriting (character and vocational analysis included). Surprising as it may seem, your handwriting reveals much about your health.
Send specimen of handwriting to Psycho-graphologist, P. O. Box 701, Ottawa, Ont. Full fee, $2.00. Prompt reply.

Income Building Bonds

Secured on Canada's basic industries yield investors a good return, plus safety, if carefully selected.

Our new Investment List features several outstanding issues of particular interest at this time when Canada's progress as an industrial nation is greater than ever.

Build *your* income on a sound basis. Write today for this list of Canada's leading industrial security offerings.

FLOOD, BARNES & CO., Limited
Investment Bankers
Insurance Exchange Building
Montreal

New Bond List Now Ready

During November and December unusually large amounts will be paid to investors in the form of interest, dividends and principal on maturing obligations. It is important, both from the standpoint of the investor and the country, that this money be kept profitably employed.

Our new Bond List describes a number of government, municipal and corporation issues that provide security and attractive interest returns.

Copy will be gladly furnished upon request.

36 King Street West, Toronto
Telephone: Elgin 4321
Wood, Gundy & Co.
Limited

Woods Manufacturing Company, Limited

Jute and Cotton Bags
Hessians, Buckrams
Paddings and Twine

Tents
Flags
Tarpaulins
Clothing and Cotton Fabrics

FACTORIES AT
MONTREAL, TORONTO, OTTAWA
WINNIPEG, WELLAND

HEAD OFFICE:
MONTREAL

Province of Ontario

4½% Gold Bonds

Due $800,000 annually November 1, 1933-57 incl.

Denominations $1,000

Principal and semi-annual interest (May 1 and November 1) payable in United States gold coin in New York City or in Canadian gold coin in Canada or at the fixed rate of $4.86⅔ to the pound sterling in London, Eng.

Price 100 and interest, to yield 4½%
(Subject to prior sale and change in price.)

The National City Company
Limited
Head Office—St. James and St. Peter Streets—Montreal
10 King Street East TORONTO — 204 Blackburn Building OTTAWA — 71 St. Peter Street QUEBEC

BUILDING PRODUCTS COMMON OVERSOLD

Well-known Company Finds Ready Market for its Stock

An issue of 60,000 shares of Class A stock, no par value, of Building Products, Ltd., brought out by A. E. Ames & Co., this week, was quickly oversubscribed.

This company represents the consolidation of Bird & Son, Ltd., and the Ruberoid Co., Ltd., which was effected in 1925. Early in 1927, the company acquired the Vulcanite Roofing Division of the Beaver Co., Ltd.

Building Products now has four plants located at Montreal, Pont Rouge and Portneuf, in Quebec and Hamilton, Ont. It manufactures asphalt shingles, roll roofing, roofing felt, wallboard and allied products under internationally known trade names of Neponset, Ruberoid, Bird's, Vulcanite, etc.

Particulars of the company follow:

60,000 Shares
Building Products, Ltd.,
Class A. Stock
No Par Value, Non-voting

Business—Manufacturers of various building materials at four plants located in Quebec and Ontario. Represents consolidation of Bird & Son, Ltd., and Ruberoid Co., Ltd., and acquisition later of Vulcanite Roofing Division of Beaver Co.

Capital—

	Author.	Outstand.
7% cum. pref. stock ($100 par)	$750,000	$700,000
Class A stock, non-voting (including this offering) no no par value)	105,360 (shs.)	105,360 (shs.)
Class B stock, voting, no par value	4,500 (shs.)	4,500 (shs.)

The company has no bonded indebtedness.

Class A and B shares rank equally for dividends. $50,000 of the preferred stock was retired by purchase during 1927.

Assets—In March, 1925, buildings, equipment and water power rights were appraised at $1,792,159. Certain assets have been sold and deductions made since then. Assets as of September 30, 1927, are placed at $1,528,089, being $733,895 in excess of the amount shown in company's balance sheet. On basis of this valuation, net tangible assets, exclusive of goodwill, amount to $2,968,460, which after deducting outstanding preferred stock, amounts to $20.64 for each share of Class A and B stock.

Earnings—After depreciation and all other charges, including income tax and less preferred dividends, have amounted to $40,206 in 1925; $114,033 in 1926; and estimated at $249,250 in 1927.

Economies—Will be affected through further consolidation of the business.

Dividend Policy—It is the intention to pay quarterly dividends of 30 cents a share of Class A and B stock, first dividend covering period from October 1, 1927, and being payable January 1, 1928.

Management—There will be no change.

Listing—It is proposed to list on both Toronto and Montreal Stock Exchanges.

Offered—A. E. Ames & Co., at $22.50 a share.

ALDRED TRUST SELLS SECURITIES

Offer Debentures with Bonus of Common Shares

From Our Own Correspondent

MONTREAL.—The great popularity of the investment trust idea has resulted in the continual formation of new investment trust organizations, which offer their securities to the public. The latest to make its appearance is the Aldred Investment Trust, in which debentures accompanied by common stock are being offered publicly. The particulars of the issue follow:

$5,000,000
Aldred Investment Trust
Shareholders 4½ per cent debentures.

Due: December 1, 1967

Each $1,000 debenture is accompanied by ten common shares in the trust.

Organization: Formed by J. E. Aldred and his associates. The shares and the debentures are not transferable separately until the principal of the debentures becomes payable, unless the trustees at their discretion provide for separate transfers of debentures and the stock issued. The trust terminates at the expiration of 21 years after certain named lives in being. The declaration of trust provides for five trustees.

Capitalization: Authorized and issued—

Shareholders debentures	$5,000,000
6% cum. preferred	1,000,000
Common, n. p. v.	100,000 shares

For its preferred and half its common stock, the investment trust has received $1,250,000.

Offered: November, 1927, by Aldred & Co., at 100, carrying ten common shares with each $1,000 shareholders' debenture.

F. H. Blakely C. E. Bowden
F. H. BLAKELY & CO.
Corporation Bond Issues
Originated - Under-written
Northern Ontario Bldg., Toronto
Telephone Adelaide 0669

Bond Notices

Ottawa Gas Co., subsidiary of the Ottawa Light, Heat and Power Co., has called for redemption at 103 and accrued interest on March 1st next, all of its outstanding 6 per cent. refunding mortgage sinking fund bonds, due in 1939. At present, there is outstanding $728,000. Montreal Trust Co., is the trustee.

German government bonds (either direct issues of the German Reich or such bonds of the following states: Prussia, Bavaria, Saxony, Wuerttemberg, Baden, Hessen, Mecklenburg-Schwerin, Oldenburg, as have been taken over by the Reich) may again be accepted at the Banque Canadienne Nationale, Montreal, and branches, under the new possession procedure until further notice.

Attention is drawn to the warrants attached to St. Lawrence Paper Mills debentures, which expire in August, 1928. They entitle their holder to buy at 50 common stock now selling at over 100. Three shares at this price may be bought for every $1,000 debenture held.

Bond Redemptions

	Rate	Due	Redeem.	Price
Shawinigan "A"	5½%	1950	Dec. 1	110
Do., "B"	6%	1950	Jan. 1	105
Do., "C"	6%	1950	Jan. 1	105
Do., "D"	5½%	1954	Apr. 1	105
Do., "E"	5%	1955	Apr. 1	105
Do., Cons. Mtge.	5%	1934	Jan. 1	110
Otto-Montreal Pow.	6½%	1940	Dec. 1	105
Gatineau Pr.	6½%	1940	Jan. 2	102¼
Pt. Alfred Pulp "B"	6½%	1943	Apr. 1	104¼
Jacobs Bldg.	6½%	....	Jan. 1	105
Nat. Breweries (Call part only)	6%	1939	May 1	105

HALIFAX HOTEL BONDS OFFERED

The Eastern Business Interests Have Strongly Backed Enterprise

An offering is being made of $600,000, 6½ per cent., first (closed) mortgage sinking fund bonds of the Lord Nelson Hotel Co., by H. R. Bain & Co.

Preliminary financing has already been completed in connection with this promotion, such organizations as the Canadian Pacific Railway, Eastern Steamships, Furness Withy, Robert Simpson Eastern, etc., having subscribed for large blocks of the preferred shares of the company.

Plans have been completed to erect on a desirable location in the City of Halifax, a seven-story building with basement containing approximately 200 guest rooms, each with bath, with stores on the ground floors and other rentable areas.

Visitors to Nova Scotia and Halifax show a regular and rapid increase annually. Hitherto Halifax has lacked modern fireproof tourist accommodation. Already it is considered that the demand for such accommodation will be more than sufficient to enable the company to secure anticipated earnings.

Particulars of the bond issue follow:

$600,000
Lord Nelson Hotel Co.
6% First (closed) Mortgage 20-year Sinking Fund Bonds

Dated: Oct. 1, 1927 **Due:** Oct. 1, 1947

Company—Incorporated for the purpose of acquiring property in city of Halifax and building thereon modern, fireproof hotel of seven stories and basement.

Capital—

	Authorized	Issued
6½% First Mortgage Closed Sinking Fund Gold Bonds (this issue)	$600,000	$600,000
7% Cumulative Preference Shares	640,000	640,000
Common Shares (without par value)	3200	

Valuation—Land and hotel, when completed, are appraised at $1,170,000. In addition furnishings will cost $165,000.

Assessment—Fixed at a sum not to exceed $260,000 for period of ten days from day hotel opens.

Earnings—Allowing for 25 per cent. vacancies at $4 a room, net profits available for bond interest, depreciation, etc., are estimated at $136,200 per annum.

Construction—Guaranteed bond has been delivered to company by contractors for fulfilment of contract.

Management—Under direction of Canadian Pacific Railway.

Security—First and specific mortgage upon property and all other fixed assets of company, and a first floating charge on other property of the company.

Sinking Fund—Commencing October 1, 1931, a sum equal to 2 per cent. of principal amount of bonds, together with an amount equal to annual interest on all bonds redeemed.

Offer—H. R Bain & Co, at 103 and accrued interest, to yield approximately 6¼ per cent.

News of Investment Markets

C. N. R. DEBENTURES AGREEMENT PASSED BY SHAREHOLDERS

Ratification by Parliament Now Necessary to End Controversy

Opposition from Canadian shareholders to the offer of settlement to the holders of the Canadian Northern Railway five per cent. income charge debentures, did not materialize at the meeting held in London, Eng., to ratify the agreement.

The amount of the debentures outstanding is approximately $25,000,000 and no interest has been paid upon them since 1914, during which time they have been the subject of continuous controversy, and this controversy has been regarded as detrimental to Canadian credit among British investors. The debentures become payable at par in May, 1930, but under the present agreement they are to be retired in May, 1928, at 94 per cent.

Settlement, of course, does not become effective until the agreement has been ratified by the Canadian parliament. The minister of railways has promised to bring it up at the next session and ratification will likely result.

Protracted Negotiations

Several attempts have been made to come to an agreement, proposals having been put forward both by the English shareholders' committee and representatives of the Canadian Northern Railways. Unfortunately these attempts at reconciliation came to naught up until the present time. In October last year a provisional agreement was reached and it was thought then that the matter was closed. The government refused to bring the matter up before parliament and negotiations were suspended until a few months ago, when they were resumed.

One of the most contentious points in the negotiations was the demand of the shareholders for an accounting of earnings from 1914 onwards. Owing to a change in bookkeeping methods, it was impossible for the management to supply this information. The shareholders have always contended that the Canadian Northern Railway was earning sufficient to meet interest payments on these debentures. This point had proved a stumbling block.

The offer of 94 per cent., made with semi-official sanction, met with favorable response from the English committee, and at the shareholders' meeting last Tuesday was unanimously approved.

Reference was made at the meeting to the failure of the Canadian Northern Railway to account for earnings, as provided in the trust deed covering these debentures, but the feeling was in favor of accepting the Government's offer as it stood rather than have an outbreak of litigation.

With the ratification of this agreement by parliament, another cause of British dissatisfaction and distrust with Canadian investments will be removed. It is unlikely that immediate favorable reaction will be noticeable, or that any extensive borrowing will be done on the London market in view of the present advantageous situation in New York, but when the Canadian Government and industrial corporations do seek money in the Old Country, their reception should be more favorable than it has been in the past.

New Apartment House Bonds Offered by Toronto Houses

A new issue of $700,000, 7 per cent., first mortgage (closed) sinking fund bond issue on the Clarendon Properties, owning and operating The Claridge, is being offered this week by J. A. C. Clarke & Co., and A. N. Worthington & Co.

The Claridge represents a high-class type of apartment building which is not common in Canada. This undertaking is being promoted by the same syndicate that erected the Clarendon Apartment, which has met with success, although only in operation a few months.

Details of the issue follow:

$700,000
Clarendon Properties, Ltd.
7% 1st Mortgage (closed) Sinking Fund Bonds—20 Years

Dated Nov. 1, 1927. Due Nov. 1, 1947.

Company—Will own and operate a modern high-class apartment building to be known as The Claridge; a six-storey structure, fireproof, 190 rooms, with garage in basement.

Capital—

	Authorized	To be issued
7% 1st Mtge. bonds (this issue)	$700,000	$700,000
Com. stock (no par value)	4,000 (shs.)	4,000 (shs.)

Valuation — Building, including carrying charges has been valued at $1,140,500 and land at $57,000, giving a total valuation of $1,197,500.

Security—A first (closed) and fixed charge on lands, building and fixed equipment and a floating charge on all other assets of the company.

Sinking Fund—20-year endowment policy of lives of two officers of the company in an amount of $300,000, payable to trustee in event of death of these officers and in addition company will pay annually as an additional sinking fund the difference between the amount of such premiums and $12,500. The sinking fund will have the effect of retiring approximately $475,000 at maturity.

Insurance—Adequate fire insurance will be carried.

Surety Bond—Will be carried guaranteeing completion of building.

Offer—J. A. C. Clarke & Co., and A. N. Worthington & Co., at 100 and accrued interest to yield seven per cent.

Housser Wood & Co
LIMITED
Orders Executed on the Toronto Stock Exchange
R. F. DAVIDSON,
Member Toronto Stock Exchange
El. 7188-4-4-6.
Royal Bank Bldg. Toronto

Canada's Loans Are Heavier in New York

Industrial expansion in Canada during the past year or two has necessitated the raising of additional capital for corporate purposes. While investment interest in this country has been greater than ever before, Canada is still largely dependent upon the United States and other countries for the necessary capital to provide for expansion and exploitation of her resources.

Since the beginning of the current year, the volume of industrial financing has been unusually large. The amount of money raised within the Dominion has also been larger than usual, but the United States continues as our principal source of money.

The following table showing corporate and government financing undertaken in New York during the month of October last, illustrates the extent and importance of Canadian securities in that market:

Public Utilities	
Shawinigan Water & Power, bonds	$35,000,000
Winnipeg Electric, stock	2,400,000
South. Can. Power, stock	960,000
Industrials	
Canada Cement, cum.-pfd.	21,000,000
Canada Cement, 1st A, bonds	20,000,000
General Steel Wares, bonds	9,000,000
Murray Bay Paper, bonds	2,000,000
Brit. Amer. Brew., stock	1,980,000
Canadian Vickers, c.-pfd.	1,700,000
Fraser Companies, bonds	1,664,500
Metropolitan of Canada, bonds	1,100,000
P. T. Legare Co., cum.-pfd.	600,000
East. Steel Prod., Ltd., c-pfd.	550,000
Asch, Ltd., Montreal cum.-pfd.	500,000

PHOTO ENGRAVERS NO PAR STOCK SOLD

Old-established Company Now Passes Into Control of New Hands

A new issue of more than ordinary interest is being offered to the public this week in the form of 20,000 shares of no par value common stock of Photo Engravers and Electrotypers, Ltd., by McLeod, Young, Weir & Co. This is probably the first issue of its kind ever offered in this country.

The company is one of the larger producers of photo engravings, electrotypes, stereotypes, photostats, commercial photography and commercial art work of all kinds, and has been in operation in Canada under the name of Photo Engravers, Ltd., since 1906. Its regular customers number over 1,200. These include, besides newspapers and periodical publications, some of the largest merchandising, manufacturing and industrial concerns in the country.

Details of the present issue are:

20,000 Shares
Photo Engravers & Electrotypers, Ltd.
Common Stock, No Par Value

Business—Company has been incorporated to acquire business now carried on Photo Engravers, Ltd.

Capital—

	Authorized	To be issued
Com. stock (no par value)	50,000 (shs.)	30,000 (shs.)

No bonds. No preferred stock.

Property — Company owns through subsidiaries large, modern building in Toronto, together with sufficient adjacent land to take care of expansion for some years to come.

Management—Will be in hands of men who were responsible for success of predecessor company.

Assets—Net tangible assets total $439,696. Current assets of $182,412 compare with current liabilities of $6,278, a ratio of over 29 to 1. Working capital amounts to $176,134.

Earnings—Net earnings available for dividends, after providing for depreciation and bad debts but before making provision for income taxes, have amounted to $88,236, $92,718, $87,487 and $93,762 in the fiscal years ended February of 1924, 1925, 1926, 1927, respectively. For the six months ended August 31, 1927, on the same basis, net earnings were $67,383.

Dividends—It is the intention to place this stock on annual dividend basis of $2 a share, payable quarterly, beginning March 1, 1928.

Listing—Application will be made to list on Toronto Stock Exchange.

Offer—McLeod, Young, Weir & Co., at $29 a share.

Service Station Equipment Stock Offering Next Week

It is understood that A. E. Ames & Co. will make a public offering next week of 45,000 shares of no par value common stock of the Service Station Equipment Co. This concern has been operating in Canada since 1923 under the name of Clear Vision Pump Co., the name being changed on account of wider activities of the company, and also on account of the greater number of products now being produced.

Earnings of the company have shown a steady growth since the company started operating in Canada and its balance sheet, it is said, will show a strong set-up.

Grant Johnston & Co
MEMBERS
MONTREAL STOCK EXCHANGE
MONTREAL CURB MARKET
112 Notre Dame St. W.,
MONTREAL
TELEPHONES MAIN 6184 & 6185

Capital: $1,000,000
Reserve: 350,000
Complete Trust Service
covering
Wills and Trusts
Mortgage Loans
Real Estate and Investment
Registrar and Transfer Agents
Safety Deposit Vaults
THE EASTERN TRUST COMPANY
Head Office—Halifax, N.S.
Saint John, N.B. St. John's, Nfld.
Charlottetown, P.E.I.
MONTREAL—138 St. James St.
23

HIGH GRADE BONDS TOUCH NEW LEVELS IN ACTIVE MARKET

Dealers Find Ready Outlet For New Issues Brought Out This Year

In line with industrial and mining stocks, Canadian bonds displayed unusual strength during the week. Demand for the better class securities has not been so strong in several years. High grade bonds, consequently, are selling at new high levels.

Dominion of Canada due 1946, for example, are quoted around 101; Montreal 4½'s brought out at the beginning of the week are being offered at over par; C.N.R. 4½'s due 1957, and guaranteed by the Dominion Government, are being retailed between 100 and 101. The balance of the list shows equal strength.

This markedly bullish market has been brought about by many causes, one of which has been the action of the Minister of Finance, Hon. J. A. Robb, in meeting with cash all government obligations that matured on November 1 and November 15. Although these obligations aggregated over $37,000,000, it is expected that there will be a substantial amount of cash available in the treasury to retire some of the 5½ per cent. bonds falling due on December 1.

Good Bonds Scarce

Had the Government undertaken to refund these obligations with the issue of new bonds, the paucity of bonds which has featured the market for some time, would not have been so pronounced. Some refunding will likely be done on the December 1 maturity, but it will not be as large as was anticipated. There is little likelihood of any glut of high-grade bonds on the Canadian market in the immediate future. Moreover, Dominion bonds redeemed in cash have made available a large sum which will have to seek reinvestment in other channels.

There are large sums of money available to finance new enterprises, provide additional capital for industrial corporations, or to take care of the needs of the provincial and municipal governments. Savings deposits are higher than they have been for some time past, while commercial loans have not increased in ratio. Insurance and trust companies are also in the market and have purchased heavily of recent issues.

New Financing Heavy

It would have been thought in view of the large amount of new financing undertaken this year, keen interest in stocks, etc., that strength of the bond market would not be out of the ordinary. For the first ten months of the current year, according to a compilation made by Royal Securities Corp., bonds issued by Canadian governments, municipalities, corporations, etc., total $514,584,134. This is only $13,000,000 less than for the corresponding period when the Dominion Government placed an issue of $105,000,000 on the market. Furthermore, there has been a substantial increase in the number of foreign bonds sold in this country. No definite figures are obtainable as regards the latter, but it is known to be many times the amount sold in 1926.

That the domestic market has been able to absorb the major portion of these new issues without any apparent strain on its credit facilities, lends weight to the belief that prices will be further advanced to a point where the yield to the investor will be lower than in the next half year.

7% AND SAFETY
First Mortgage Sinking Fund Gold Bonds
Maturities: 5 to 10 years.
Trustee: Union Trust Co., Ltd.
Legal Opinion: Long & Daly.
Legal Investment for Canadian Life and Fire Insurance Companies.
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BOND DEPARTMENT
Border Cities Company
Limited
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1000% PROFITS
were made by Investors from an Investment of $320 in a Company manufacturing Ginger Ale.
We believe an investment in the shares of
Kelly Dry—Pure Juice Corporation
offers an opportunity comparable to the one mentioned. Full details will be gladly furnished without obligation.
Write today for the prospectus
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stablished 1910
Credit Canada Limitee
INVESTMENT BANKERS
120 St. James St., Montreal

MORTGAGE BANK of COLOMBIA
6½% Sinking Fund Gold Bonds
Denominations $1,000, $500
Due October 1st, 1947
Price 91½ and interest, to yield over 7.31%
Descriptive circular on request.
Matthews & Company
LIMITED
Investment Bankers
255 Bay St. Toronto 2

McDonagh Somers & Co.
Government and Municipal Bonds
Dominion Bank Building
TORONTO
Canada

INVEST PROCEEDS DOMINION OF CANADA BONDS
Due November 1st and December 1st, 1927
in
SOUND MUNICIPAL BONDS
These are safe trustee investments readily resaleable.
W.L. McKinnon & Co.
McKinnon Bldg., Toronto

We recommend
Hamilton Dairies
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BRANCH: BELLEVILLE, ONT.

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Investments
330 Bay St. TORONTO *Adelaide 3331*
Dom. Savings Bldg. LONDON *Telephone 9677*

If you had all your time--
To investigate propositions, to inspect localities, to search titles, to supervise properties, and collect monies, even then you could not invest your money more safely than you can do, through us, with no such tasks incurred.
United First Mortgage Bonds are issued directly under our supervision, which means that we do all these things for you, the investor, and do them with the trained skill and thoroughness of long experience.
Our booklet, "Through the Doorway of Honesty," tells about this in detail. Will you let us send you a copy?
United Bond Co., Ltd.
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United Bond Company, Ltd., Dept. 18, 302 Bay St., Toronto, or Security Building, Windsor.
Without placing me under any obligation whatever, send me copy of your booklet, "Through the Doorway of Honesty."
Name .....
Address .....

ALBERTA FARMERS LIQUIDATE DEBTS BY BUMPER CROPS

Work of Government's Adjustment Service Justifies Its Existence

(Continued from page 1)

service. When the act first came into force it was received with a measure of suspicion by the financial and commercial interests of the West, who were inclined to think that it was a move by a farmer government to give relief to one class of residents at the expense of all the others, furnishing them with a legal means of escaping their just obligations. The debt adjustment system in actual operation has overcome that fear, and there is now general approval of the law and a general willingness to accept its provisions as in the interest of creditor and debtor alike.

What happens is that either the debtor or the creditor applies to an official of the Government known under the Act as the director, who then confers and advises with both, as may be necessary, endeavoring to bring about a settlement of the indebtedness by agreement. The director has full power to summon witnesses, and to have access to all papers and documents.

If the director finds that the farmer-debtor is not a fit case for adjustment in this way, or that he is reasonably able to discharge his indebtedness in full, he declines to give him protection under the Act, and goes no farther in the matter; but, if he is satisfied that it will be in the interests of all parties to proceed, he issues a certificate accordingly, which is filed with the clerk of the judicial or subjudicial district and a copy to the land titles office. Notice is also given in the Alberta Gazette. Upon the filing of this certificate no proceeding of any kind which may lead to the seizure or sale of the debtor's property may be taken or continued without the leave of the judge. Certificates may be cancelled if the debtor fails to carry out the directions, and if he defaults in complying with the orders of either the debt adjuster or the judge he is liable to fine or imprisonment.

Assuming that all parties are acting in good faith—which is usually the case—the adjustment of the debts now begins. The director takes a full list of the accounts owing by the farmer-debtor, together with a statement of his farming operations and crop prospects, which he verifies by personal investigation on the farm if necessary. He ascertains as nearly as possible what the debtor will be able to pay during or at the end of the season, giving him to understand that the entire proceeds from his crop or other farming operations, except a reasonable exemption for living and next season's seeding, must be applied to the liquidation of his indebtedness.

Following or concurrent with this examination of the debtor's affairs, the director consults with the creditors, from whom he secures statements of original accounts, unpaid balances, and interest arrears. These accounts are then examined with a view to settlement on a compromise basis. For the sake of closing them out, the director asks, what will the creditors take and call them square? In nine cases out of ten an agreement along these lines is reached without much difficulty, on the understanding that the debtor's assets from crop or other sources are to be administered by the Government adjustment service.

Adjuster Takes Proceeds

The way it works out is that the proceeds from the crop are turned over to the adjuster, who pays therefrom to the several creditors, in such sums or instalments as may have been agreed upon, and all the creditors included. If one season's crop is sufficient to clear off the accounts, as thus compromised, so much the sooner is the conclusion reached; but the process may have to be continued into two or more years, the debt adjustor retaining complete supervision in the meantime over the debtor's affairs. No other collections and no legal procedure of any sort may be taken against the debtor while this process is pending.

Under the Alberta scheme the debt adjustment service serves as a go-between, peacemaker and a solvent of financial tangles that have been found otherwise difficult or even impossible of settlement. From the nature of the case there is often a certain amount of antagonism between the debtor and his creditors, making any get-together action most unlikely, but both sides welcome the assistance of an intermediary working under a system in which they have mutual confidence. Perhaps the best testimonial to the success of the plan is the fact that some of the banks and implements companies are now adapting it in their own collection work, several similar adjustments having been made in individual cases without calling upon the services of the Government adjuster.

The accounts thus far dealt with have represented debts running from $100 to $50,000 each, and in many cases where the debtors could not possibly have got on their feet again if the principal sums and interest arrears had been held against them in full have been re-established, given new starts, and saved to the country through the good offices of the debt adjustment service. Incidentally, the creditors have salvaged many thousands out of accounts that otherwise would have ended in foreclosures or gone bad entirely.

If a farmer-debtor is found to be in such straits that even this adjustment process will not save him, or if his main creditors will not agree or compromise, the advice given him is to go into bankruptcy under the federal law. About 100 farmers in Alberta have been put through assignment process in this way since the amendments to the bankruptcy act in 1925.

The Alberta debt adjustment service is the only thing of the kind in Canada, and for that reason it has attracted considerable attention from financial and commercial interests represented in the West. Four-fifths of the cases now being dealt with are from the southern part of the province, where several seasons of drought and consequent crop failures during the past five or six years have piled up the farmer's debts. The work is directed from Edmonton and Calgary offices, with Z. McIlmoyle as the official director under the act.

Electric Bond and Share Preferred Sold in Canada

A small block of an additional issue of $10,000,000, 6 per cent. cumulative preferred stock of the Electric Bond and Share Corp., is being offered in Canada this week by the American investment house of Bonbright & Co., New York, at $109 a share and accrued dividends from November 1st last, to yield 5.50 per cent.

For the year ended October 31, 1927, company's net income, after Federal taxes, was $10,275,335.17, or more than 3 1/3 times annual dividend requirements of $3,000,000 on the total amount of preferred stock to be outstanding on completion of present financing. The net income of the company since its incorporation in 1905 has been sufficient to meet the preferred stock dividend payments during that period more than 5½ times. The company has no mortgage or funded debt.

Bondholders Unaffected by Change in Walmsley Control

Charles Walmsley & Co., recently acquired by Canadian interests from the English holders, will shortly issue a preferred or common stock. This company has been in operation in Canada for a number of years, having been established as a subsidiary of the English company of the same name. Manufactures have been largely confined to those of paper machines and products of a similar nature. Demand for the company's products has varied with the activities of the pulp and paper industry, but earnings are said to have been consistently good.

The issue of new capital stock will not disturb the outstanding $1,000,000 first mortgage bonds, offered in February four years ago at 97¼. According to the terms of the trust deed these bonds are callable on any interest date on 30 days notice at 104 from 1928 to 1932, and later at 103 or 102.

Quebec Realty Preferred Stock is Publicly Offered

MONTREAL.—The Quebec Realty Corporation is making an offering of its seven per cent., cumulative, preferred stock.

Details of the issue follow:

$200,000 Quebec Realty Corporation
7 per cent., Cumulative, Sinking Fund, Preferred Stock

Capitalization—

	Authorized	Outstanding
Preferred	$700,000	$485,000
Common (no par value)	10,000 shs.	10,000 shs.

Company—Owns and operates several apartment buildings in Montreal. The buildings contain 268 apartments.

Purpose of Issue—To provide funds for the purchase of mortgages outstanding against some of the properties.

Earnings—Equal to one and a half times the interest requirements of the present issue.

Sinking Fund—Ten per cent. of the yearly profits available for the common.

Offered—Quebec Realty Corporation at par carrying a bonus of one share of common with every two shares of preferred.

Commerce to Open Branch

The Canadian Bank of Commerce has arranged to take premises in a building near Avenue Road and Eglinton Avenue, Toronto. The building is now being constructed, and will be ready for occupancy shortly after the first of the year, when the Canadian Bank of Commerce will open a branch to serve the residents and business people of the district.

RAILWAY EARNINGS

Week end. Nov. 14	1927	1926	Change
C.N.R.	$6,052,923	$5,613,545	+$439,377

HOWARD SMITH STOCK ON MARKET

Anticipated Revamp of Capital Structure is Further Delayed

From Our Own Correspondent

MONTREAL.—A Montreal investment house syndicate is offering 9,000 shares of eight per cent., cumulative, participating preferred stock of the Howard Smith Paper Mills. The company is using the proceeds of the issue for expansion.

It has long been thought that the Howard Smith Paper Mills would revamp its capital structure, but apparently, in view of the preferred stock offering, the time for such a step has not yet come. The company now has just under $7,000,000 outstanding in preferred stock and in bonds. The par value of the common is $3,693,700. The preferred stock bears interest at eight per cent., and the bonds seven per cent.

Eventually, it is probable that the Howard Smith management will revamp this capitalization to take advantage of the lower prevailing interest rates on industrial bonds. There is a possibility that ultimately the preferred stock may be eliminated and the capitalization will consist of bonds and of common shares of no-par value only.

Particulars of the present issue of stock follow:

$900,000
Howard Smith Paper Mills, Limited
8 per cent., Cumulative, Participating, Preferred Stock

Participating with the common in dividends up to ten per cent.

Capitalization—

	Authorized	Outstanding
Common stock	$4,000,000	$3,693,700
8% participating pfd.	3,000,000	2,500,000
7% bonds	7,000,000	4,470,600

Company—One of the largest manufacturers of high-grade paper in Canada, operating three paper mills having a daily capacity of 105 tons. The company controls the Canadian Cellulose Company, which has an output of 50 tons per day of soda pulp. Timber limits consist of 500 square miles in Gaspe, P. Q.

Purpose of Issue—To provide for the installation of a new machine in one of the mills with a capacity of 40 tons.

Earnings—Have arranged three times the dividend requirements on the outstanding preferred over the past four years.

Assets—More than $267 per share of preferred stock.

Offered—November, 1927, by a Montreal investment house syndicate at $115 per share, yielding 6.96 per cent.

BUFFALO QUOTATIONS

Bonds	Bid	Asked
Bfo.-Ft. Erie Bridge 7s '55	108	109½
Do., 8s, '45	107½	109
Buff. Gen. Elec. 1st 5s '39	104¾	...
Bfo. N. & E. Pow. 5s, '30	103	104
Lockport L. H. & P. 5½ '54 ..	102½	104

This Week's Bond Sales

CITY OF MONTREAL

An issue of $5,100,000, 4½%, 20 and 40-year bonds of the City of Montreal has been awarded to a syndicate composed of Bank of Montreal, 1st National Bank, Redmond & Co., and Hanson Bros., on a bid of 99.527. At this price the money is costing the city 4.536 per cent. The bids were:

Bank of Montreal, 1st National Bank Redmond & Co., Hanson Bros. 99.527
Rene Leclerc, Blair & Co., White Weld & Co., Guardian Detroit Company ...99.35
Atlantic Merrill, Odhan Corp., First Trust and Savings Bank, R. A. Daly & Co., Banque Can. Nationale, Wells, Dickey & Co., Kalman & Co., Wood Gundy & Co., Royal Bank, Chase Securities 99.35
Societe de Placement 99.12
Harris Forbes & Co., National City, Guaranty Co. of New York, Dillon, Read & Co., Dominion Securities Corp. 99.101
Bell, Gouinlock & Co., McLeod, Young, Weir & Co., Bank of Nova Scotia, Fry, Mills, Spence & Co. 98.89
Greenshields & Co., Equitable Trust, Beaubien & Co., Royal Securities Corp., Halsey & Co., Kounts & Co., Continental & Commercial, Cochran, Hay & Co., Matthews & Co., 1st National of Detroit 98.43

VANCOUVER ISSUE

The Dominion Securities Corporation and Dillon, Read & Co. were the successful tenderers for an issue of $1,135,000, 4½%, 15 and 40-year bonds, on a bid of 97.27, which is on a cost basis of 4.685 per cent. The bids were:

	Pay. Canada only	Pay. Canada and New York
Dom. Securities Corp., Dillon, Read & Co.	no bid	97.27
Bank of Nova Scotia, R. A. Daly & Co., Matthews & Co., Royal Securities Corp.	96.027	96.77
Fry, Mills, Spence & Co., Cochran, Hay & Co., Odlum & Co., Gillespie, Hart & Todd	96.03	96.53
Wood, Gundy & Co., Royal Bank of Canada, Pemberton & Son	95.65	96.30
Bank of Montreal, First National Bank, Hedmond & Co, Hanson Brothers	....	96.22
Bell, Gouinlock & Co., McLeod, Young, Weir & Co.	96.10	96.15
A. E. Ames & Co.	....	96.125 (15-yr.)
	....	95.25 (40-yr.)
Gairdner & Co., C. H. Burgess & Co., Dyment, Anderson & Co., J. L. Graham & Co. ..	....	95.879
Royal Financial Corp.	....	95.76 (15-yr.)
	....	95.41 (40-yr.)

BOND MOVEMENT OF THE WEEK

Week Ending November 15

Bonds	Int. Rate	Due	Yield	Range 1926 High	Range 1926 Low	Range 1927 High	Range 1927 Low	Ask	Latest Price Bid	High	Low
Asbestos, gen. mtge. .	6	1956	6.26	88¾	81¼	97⅞	88	96¾	96¼	96⅞	96½
Can. Canners	6	1950	5.92	100	94	101	96½	.....	101	101	100½
Can. Cement	6	1929	4.91	103	100½	103	100	.....	103	103	.....
Can. Cottons	5	1940	4.96	99½	95	100¼	97	.....	100	100¼	.....
Dom. Iron	5	1929	10.02	94	86	92	69	.....	88	87¼	.....
Montreal Trams "A"	5	1955	5.13	95	92½	98	94¼	98	97⅝	98	96⅞
Do., 1st mtge.	5	1941	5.00	98½	93	100	97⅞	100	99⅝	100	99⅝
Quebec Rly.	5	1939	4.89	100⅞	96	101½	96	101½	101	101	.....
Steel of Can.	6	1940	5.48	107½	106	107½	105	.....	107	105	.....
Wayagamack	6	1951	5.79	100⅝	90	102¾	97	.....	102¾	102¾	102½
War Loan	5	1931	4.35	102.40	100.35	102.15	100.75	102.25	102.00	102.15	101.85
Do.	5	1937	4.30	104.95	102.75	106.70	102.95	106.65	106.30	106.10	106.05
Victory Loan	5½	1927	4.80	102.50	100.15	101.70	99.55	100.10	99.90	99.00	99.75
Do.	5½	1933	4.49	106.35	103.20	106.00	105.05	106.05	105.95	106.00	105.50
Do.	5½	1934	4.80	104.40	102.65	104.45	103.30	104.33	104.30	104.45	103.80
Do.	5½	1937	4.29	109.30	106.70	110.75	106.85	110.85	110.60	110.75	110.35
Do, renewal	5½	1932	4.80	103.90	102.00	103.55	101.85	103.70	103.35	103.40	103.00
Do., refund	5	1928	4.60	101.35	99.85	101.45	99.75	100.40	100.15	100.00	100.10
Do., refund	4½	1940	4.45	96.95	95.60	100.75	96.50	101.10	100.75	100.75	100.20
Do., refund	5	1943	4.60	102.80	102.30	104.50	102.30	104.60	104.35	104.50	104.00
Do., refund	4½	1944	4.45	97.15	95.70	100.85	96.60	101.70	100.90	100.85	100.40
Do., refund	4½	1946	4.48	96.90	95.65	100.35	96.70	101.15	100.85	100.35	100.25

American Holding Company Sells Securities in Canada

From Our Own Correspondent

MONTREAL. — Another investment trust security is being offered by Johnston & Ward in the form of Series A, trust certificates of United States Electric Light and Power, Inc.

Particulars of the issue follow:

United States Electric Light and Power Shares, Inc.
Trust Certificate Series A.

Company—Is strictly a holding company and neither the company nor the trustees have any connection with the management, financing, or operation of any of the companies in which stock is held. The certificates are secured by deposit with a trustee of preferred and common stocks of electric light and power companies. The investment trust has an interest in some sixty utilities operating throughout the United States.

Organization—Against each thousand shares of trust certificates, the trustees hold a definite block of shares in utility companies. The trustee has been paid in full for its services for twenty years. No deduction is made from the income of the trust fund for trustees' fees or management charges. These trust certificates carry no voting power, are fully paid and are non-assessable. The earnings from these stocks of the combined companies are directly applicable to the holders of the trust certificates. Each trust certificate carries eighty quarterly dividend coupons, dated March, 1927, to December, 1946, inclusive, on which latter date, unless the trust has been terminated, the trustee will, upon the payment of the holder's proportionate share of its charges for each set of coupons, supply the holder with a similar set of further coupons. The trust is to run for twenty years.

Price—The certificates vary in price with the average fluctuation in the price of the combined companies.

Offered—Johnston and Ward at the current, quoted New York price, which is about $33.

Unlisted Bonds

	Bid	Asked
Abitibi Fibre, 6s, 1947	97¾	98¾
Abitibi P. & P. 6s., 1940.....	104⅝	105½
Algoma Steel, 5s, 1962	36½	37½
Alberta Pac. Grain, 6s, 1946 ...	98¾	99¾
Bell Telephone 5s, 1955	102½	103
Belgo Can. Paper, 6s, 1943	102¼	103
Brandram-Henderson, 6s, 1939 ..	85	88
B. C. Pulp & Paper ..s, 1950 ..	87	90
Brompton P. & P. 6s, 1946	100½	101½
Burns, P. & Co., 6½s, 1943	103½	....
Calgary Brewery 5s, 1942	93	94⅝
Calgary Power 5s, 1940	93½	93⅝
Canada Biscuit, 6½s, 1946	101½	102½
Canada Lt. & Pr. 5s, 1949	93½	94½
Can. Nor. Power 6s, 1941	101⅝	102⅛
Can. Paperboard 7s, 1937	98	101
Can. Steamships 5s, 1943	99⅝	100
Can. Steamships 6s, 1941	100⅝	101½
Can. Steel Foundries 6s, 1936 ..	105½	....
Davies, Wm., 6s, 1942	94	95¼
Dominion Iron 5s, 1939	33	34½
Dominion Pr. and Tr. 5s, 1932 ..	98⅛	98⅞
Drummond Invest. 6½s, 1938 ...	98	100
Duke Price 6s, 1966	105	105½
East Kootenay Pr. 7s, 1942	103¾	104½
Elec. Development 5s, 1933	100⅝	101⅛
Famous Players 6½s, 1943	98	102
Fraser Co. 6s, 1950	100¼	101
Gatineau Power 5s, 1956	98⅛	98⅝
Gatineau Power 6s, 1941	102	102½
Howard Smith P. & P. 6s, 1941 .	104½	105
International Paper 6s, 1941	105⅝	106½
King Edward Hotel 7s, 1944 ..	105.⅝	106½
Lake Superior P. & P. 6s, 1941..	105⅝	106½
Laurentian Pr. 6s, 1936	109	....
Laurentide Pr. 5½s, 1946	101¼	102
Manitoba Pr. 5½s, 1951	102	102¾
Mont. L. H. & P. 5s, 1951	101¼	102
Mont. Pub. Service 5s, 1942	99½	100¼
N. B. Power 5s, 1937	92⅝	....
Nor. Ont. L. & P. 6s, 1946	102	103
Nor. West Utilities 7s, 1938	100	102
Nova Scotia Steel 5s, 1959	61	64
Nova Scotia 6% Debs.	29	32
Nova Scotia Tram. 5s, 1946	94	96
Nova Scotia Tram. 7s, 1952	100½	102
Ont. Pulp & Paper 6s, 1931	109	110
Ottawa Hull Pr. 6s, 1948	103¾	104¾
Ottawa L., H. & P. 6s, 1953	104½	105⅝
Ottawa Mont. Pr. 6½s, 1949 ..	104⅝	105½
Ottawa Trac. 5½s, 1955	101⅝	102⅝
Ottawa River Pr. 6½s, 1953	102¼	103¼
Port Alfred P. & P. 5½s, 1937 ..	94	96
Price Bros. 6s, 1943	104½	105¼
Prov. Lt. Pr. 5s, 1946	100⅝	101½
Rio Tramways 5s, 1935	96⅝	97¼
Sao Paulo Tram. 5s, 1929	98½	99
St. Lawrence Paper 6s, 1946	99	100
St. Maurice Valley 5½s, 1957	93½	95½
St. Maurice Pr. 6½s, 1953	107½	108
Shawinigan W. & P., 4½s, 1967 .	95½	95⅝
Simpson's, Ltd., 6½s, 1945	103½	104½
Southern Can. Pr. 5s, 1955	100	101
Spanish River P. & P. 8s, 1941 .	107	108½
West Kootenay Pr. 6s, 1943	103¾	104¾

Tenders and By-laws

Dec. 6, City of Arvida, P.Q.—$70,000, 5 per cent., serial bonds. Paul E. Grouin, sec.-treas.

Dec. 6, School Trustees of the City of Arvida, P.Q.—$40,000, 5 per cent., serial bonds. H. B. Campbell, sec.-treas.

Nov. 24, School Commissioners of Cap de la Madeleine, P.Q.—$120,000, 5 per cent., serial debentures. J. O. Loranger, sec.-treas.

Nov. 24, Lethbridge—$150,000, 5 and 5½ per cent. serial bonds.

Nov. 26, Timmins—$224,000, 5½ er cent., 15 and 30-instal bonds. H. E. Montgomery, clerk.

Nov. 25, Village of Port Rowan—$12,000, 5½ per cent., 20-year bonds. J. P. Pierce, treas. (See anouncement on page 16.)

Nov. 28, Village of Saint Jovite, P.Q.—$40,000, 5 per cent. serial bonds. C. Proulx, sec.-treas.

Nov. 30, Town of Dorval, P.Q.—$1,340 and $6,500 5 per cent., serial debentures. H. Meloche, sec.-treas.

Old Quebec Family Firm is Offering Bonds to Public

MONTREAL.—After being operated for several generations as a family affair, there is now an investment interest in Matthew Moody & Sons Co. A $250,000 bond issue is being offered publicly by Hale, Perusse & Co., investment bankers.

Particulars of the issue follow:

$250,000
Matthew Moody & Sons Company
15-year, 6½ per cent., First Mortgage, Sinking Fund Bonds

Dated Nov. 1, 1927. Maturing Nov. 1, 1942.

Company—The largest agricultural implement factory in the province of Quebec.

Earnings—Averages over the past fifteen years amount to almost twice the bond interest requirements.

Assets—Equal to over $3,000 for each $1,000 bond.

Capitalization—

	Authorized	Outstanding
6½% bonds	$500,000	$250,000
Common (no par value)	10,000 shs.	7,500 shs.

Sinking Fund—Starting 1930, ten per cent. of the net profits per annum will be used to retire the bonds.

Offered—November, 1927, by Hale, Perusse & Company, at par.

SAFETY
MARKETABILITY
6½%

As interest rates have been consistently falling for several years, we recommend you to take advantage of any opportunities to pick up SOUND FIRST MORTGAGE BONDS yielding 6½%.

We are in touch with a bond of this type and should be glad to send you full particulars on request — without charge or obligation on your part.

KIPPEN & COMPANY
Investment Securities
4 Hospital Street, Montreal

EASTERN SECURITIES COMPANY LIMITED 1919
Maritime Province Investments
Government Municipal Corporation Bonds
Inquiries Invited.
Eastern Securities Company Limited
Head Office—Saint John, N.B.
Halifax, N.S. Charlottetown, P.E.I.
Montreal—Transportation Bldg.

Calgary, Alberta
Stock, Bond and Grain Brokers
Industrial Financing
Carlile & Farr Ltd.
Private wire to all markets.
Correspondents of Osler & Hammond.

Government Municipal and Corporation Bonds
Real Estate Financing
RENE-T. LECLERC
Incorporated
Montreal:- 100, St. James St.
Quebec:- 71, St. Peter St.
(ESTABLISHED 1901)
E231

INVESTMENT BONDS
HIGH-GRADE PREFERRED STOCKS
Williams, Partridge & Rapley, Limited
171 ST. JAMES ST., MONTREAL

Roberts-Cameron & COMPANY, LTD.
Government and Municipal Bonds Listed Stocks
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AD.3486-7-8 TORONTO

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Specializing in Government, Municipal and Corporation Bonds
METROPOLITAN BLDG.
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G. A. STIMSON & CO.
LIMITED Est. 1883
The Oldest Bond House in Canada
300 Bay Street - TORONTO

Sound Bonds At Exceptional Yields:

Municipals
$10,000 City of Halifax 4½ 1940
Price 97.12 to yield 4.80%
$25,000 Town of Bromptonville 5% (serial)
Price 100 to yield 5%
$5,000 City of Hull 5% 1942
Price 101.05 to yield 4.90%

R. C. Corporations
$5,000 Episcopal Corporation of St. John's (Nfld.)
Price 99 to yield over 5%

Corporations
$10,000 C.P.R. 4½ 1944
Price 98.50
$10,000 Can. Light & Power 5% 1949
Price 94.50
$10,000 Canada Cement 5½ 1947
Price 101½

CREDIT ANGLO-FRANCAIS LTEE.
132 St. Peter St., Quebec
160 St. James St., Montreal

WEEKLY RECORD OF FINANCING IN CANADA

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Place	Date Sold	Municipal —Sold To—	Rate	Maturity	Amount	Price	Cost Basis
Vancouver	Nov.	Dominion Securities and Dillon, Read & Co. ...	4½%	15 and 40-yr.	$1,135,000	97.27	4.685
Montreal	Nov.	Bank of Montreal and Syndicate	4½%	20 and 40-yr.	5,100,000	99.527	4.536
North Vancouver	Nov.	R. P. Clark & Co.	5%	10-yr.	16,000	99.83	5.02

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered by	Rate	Due	Amount	Price	Yield
Railway Exchange Bldg.	Nov.	Royal Securities	6½%	1942	$450,000	99	6.60
Lord Nelson Hotel	Nov.	H. R. Bain & Co.	6½%	1947	600,000	..	6¼%
Aldred Investment Trust	Nov.	Aldred & Co., and Old Colony Corp.	4½%	1967	5,000,000	100	..
Premier Garage	Nov.	Carlile & Farr, and O. C. Arnott Co., Calgary	7%	1930-41	60,000	100	..
Matthews, Moody & Sons	Nov.	Hale, Perusse Co.	6½%	1942	250,000	100	6½
Clarendon Properties		J. A. C. Clarke & Co., and Wirthington & Co.	7%	1947	700,000	100	7%
Stock Issues—							
Electric Bond & Share	Nov.	Bonbright & Co., New York	6%	Pref.	10,000,000	$109	5.50
Building Products	Nov.	A. E. Ames & Co.	Class	"A" Com.	60,000 shs.	$22.50	..
Photo Engravers & Electrotypers	Nov.	McLeod, Young, Weir & Co.	..	....	20,000 shs.	$29	..
Howard Smith	Nov.		8%	Pref.	9,000 shs.	$115	6.96
Quebec Realty Corp.	Nov.	Quebec Realty	7%	Pref.	200,000 shs.	100	....
		(with bonus of 1 share com. with 2 shares pref.)	Trust Cert.			$38	....
U. S. Electric Light & Power ..	Nov	Johnston & Ward					

INTERLAKE TRANSPORTATION COMPANY, LIMITED
6% Ten Year First Mortgage Sinking Fund Gold Bonds
Dated 1st September, 1927 Due 1st September, 1937
Earnings estimated at nearly nine times bond interest.
Assets over twice bond issue.
These bonds afford the Investor an attractive medium for the employment of his funds.
Further particulars upon request.
Price: 99 and interest; yielding about 6.15%
STEWART, SCULLY CO.
LIMITED
Bonds
10th Floor TORONTO Royal Bank Bldg.

Railway Exchange Building Company
6½% First Mortgage Bonds
Net earnings are estimated to be equivalent to over 3¼ times the maximum annual interest requirement being issued
Price: 99 and interest to yield about 6.60%
Circular on request
HANSON BROS.
Founded 1883
Investment Securities
Montreal: 160 St. James St.
Toronto: 330 Bay Street
Ottawa: 63 Sparks Street

Jeremiah Robinson, Pioneer Merchant, Still Going Strong

On Original Site of His Early Shop Big Store Stands

HOLDS HIS CUSTOMERS

Some of Winnipeg's First Citizens, Whom He Helped in Time of Trouble, Remain on Books

By GARNETT C. PORTER

Among the picturesque figures in western business Jeremiah Robinson is in a class by himself. When a successful merchandising machine continues to require 90,000 square feet of floor space to house its activities despite keen competition; when it turns over millions annually, the individual responsible for its development is usually submerged.

Not so with "Jerry" Robinson's department store. And let it be understood that the title of Jerry is not considered an appellation of undue familiarity by the hundreds of thousands of men and women who have watched his course in Winnipeg for half a century.

Forty-six years ago his business was housed in a one story building forty by twenty-five feet. His much larger emporium to-day has been built up around this modest structure, literally. He was not able then to employ a single clerk. In fact he probably did not need one because of his amazing activity and love of work. To-day he of necessity employs several hundred assistants but his love of the game keeps him on the job with the same alert interest in every detail that constructed the huge machine from the humble store of Winnipeg's pioneer days.

Came From London, Ontario

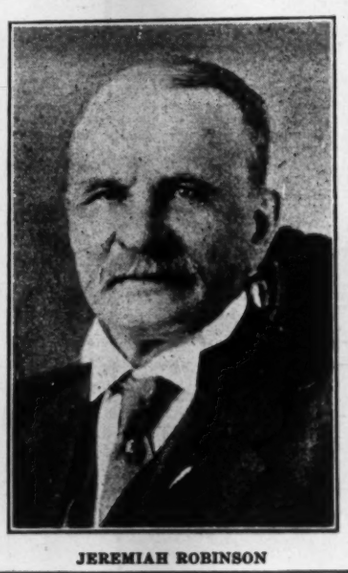
Success has made no difference with Jerry. He looks the same at 85 as in 1878 when he came west, "looking for an opening." He was a London, Ont., product and served an apprenticeship in a dry goods store there. He completed his business education with McKay Brothers of Montreal and opened his first own business at Mitchell, Ont. But the West was calling and he was too active to be satisfied anywhere except out on the edge of things. That was the Red River Valley in those days. The railroad terminated from the south at Emerson, Man. There Jerry established a general store. But as the rails moved on to Fort Garry he realized that a great city was destined to rise at the junction of the two rivers.

Store Still on Main Street

So he came into the pioneer village and located in a wooden building on a main street that boasted a side walk and a mud trail. There he is to-day but in front of his great store stretches away a net work of broad asphalt highways carrying a throng that imagination did not conceive of in the period. But the passage of the years have not cooled Jerry Robinson's appreciation of business joys. Always he played a lone hand. Self-reliant, mentally ablaze, a human dynamo, he could say "no" and "yes" with the speed of the lightning and with an unerring judgment almost uncanny.

Brusque and emphatic but always with a native courtesy that endeared him to those with whom he did business. And human contacts—that was what the fine figure of a man loved then as now. "This is my life" he remarked to a friend in explanation the other day as to why he does not spend more time on his beautiful 640 acre farm at Warren, Man. In the pioneer days the ex-Ontario merchant could be seen tramping the snow or mud of Main Street as early as five o'clock and leaving near midnight. In those days stores were made to keep open. There were no early closing by-laws and no inclination in that respect.

Merchant Prince



JEREMIAH ROBINSON

Closed When Town Slept

"We did business as long as there was business to do," laughingly explained Jerry in discussing those pioneer periods with a friend last week. And yet, with his enormous power of concentration and physical vigor, Mr. Robinson found time to develop a broad spirit and help shape the civic fortunes of the Winnipeg of to-day. He had vision.

It is of record to-day that when some less progressive citizens of those days thought the old buffalo trails of Fort Garry were wide enough for all future growth of the municipality, Jerry said "No." He left as an imperishable heritage to future generations his estimates of their needs in the way of highways. That is the reason Main Street and Portage Avenue are the widest streets in the world—one hundred feet of asphalt. He was a loyal supporter of civic enterprises and gave of his rapidly growing fortune liberally to that end.

Twelve Hours at Stretch

Imagine this nervous, active figure, with his keen gray eyes snapping with energy and his big figure all over his store for twelve hours at a stretch and one visualizes the spirit of the west. That was Jerry then! it is Jerry to-day. He stands frequently in the most conspicuous place in his great department store looking at the crowds moving in and out and never too proud to direct this or that person to the proper counter.

Jerry likes to boast of his love for horses and people. It is his hobby to be able to call by name every man, women and child employed around his establishment. And this human contact he keeps up all the way through. He likes to boast that his department store is merely a one big family affair and he gives to the humblest employee credit for contributing to the success of the business.

Jerry Robinson's outstanding business ability is exemplified in no better way than in selecting his employees. "I'm a good picker." That is a phrase he likes to use and his department managers come up from the staff. Most of them got their first job under Jerry.

Out of the years put into the great business, Mr. Robinson has been able to preserve his peculiar enthusiasm for everything pertaining to the store and the employees and the patrons. On his books to-day are many families who gave him their first orders when he had no help, when he was looking after everything. "He loses them only when they die," is an expression frequently heard in discussing the Robinson Company department store. Service is about the best word in the dictionary of Jerry's wide experience.

There are many first class salesmen and saleswomen in his store but not one that takes more care and pleasure out of serving a customer than the chief himself. They take their lessons from the energetic owner. And when the business warrants, every one on the pay roll participates according to his job. Mr. Robinson likes to call a position a job. He is just old fashioned and it is his boast that his people are just as much interested in the store's success as he is.

There are other huge department stores in Winnipeg. There are no less than two that are larger. Neither is sponsored by the individual who founded it. Mr. Robinson stands alone in this class, surrounded by friends of fifty years' standing. He is proud of them, proud of his business and proud of those who have, like him, contributed the best years of their lives to its establishment.

A. E. Phipps Advances in Bankers Association

A. E. Phipps, Toronto, general manager of the Imperial Bank of Canada, was elected president of the Canadian Bankers' Association, in succession to C. E. Neill, retiring, after two years' occupancy of the presidental chair. Beaudry Leman was advanced to the senior vice-presidency.

Other officers elected at the annual meeting of the association were: honorary presidents, Sir Vincent Meredith, Bart., Sir George Burn, Edson L. Pease, and Sir John Aird, vice-presidents, J. A. McLeod, J. R. Lamb and S. H. Logan.

Mr. Phipps, although born in Edinburgh, has spent his whole business life in the service of the Imperial Bank of Canada, of which he has been general manager since 1921. He came to Canada in 1887 at the age of 14, settling at Grenfell, Saskatchewan and entered the bank as a junior at Brandon in 1891. After being moved to Vancouver where he spent some years, he was made manager at Revelstoke, B. C., in 1901, and seven years later was promoted to the position of Western inspector at Calgary, this being followed by appointments as Western superintendent at Winnipeg in 1915, superintendent of branches at Toronto in 1918, and assistant general manager in 1920.

McDougall & Cowans
Members of the Montreal Stock Exchange
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130 St. James Street
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HALIFAX SAINT JOHN, N.B. QUEBEC
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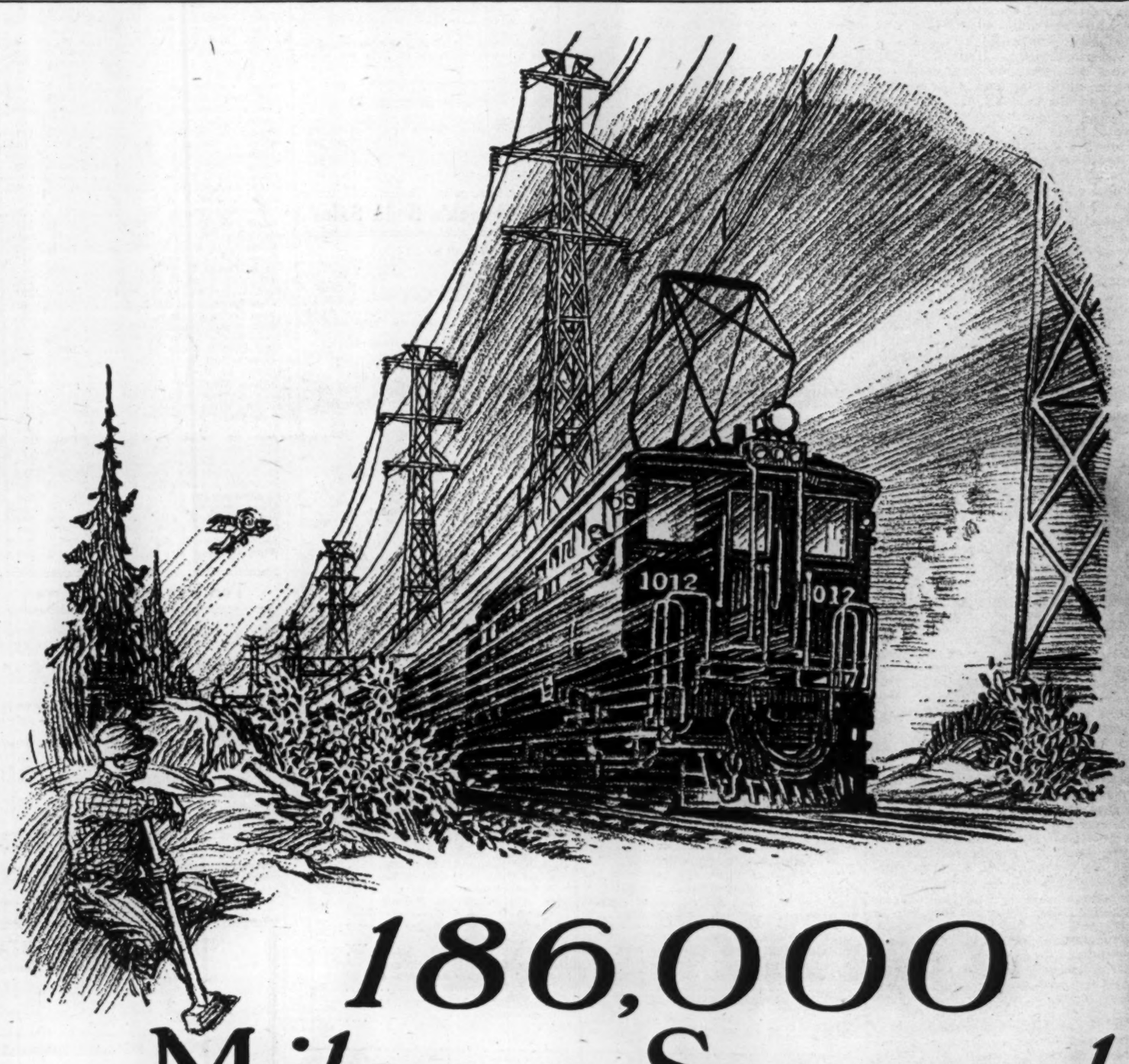
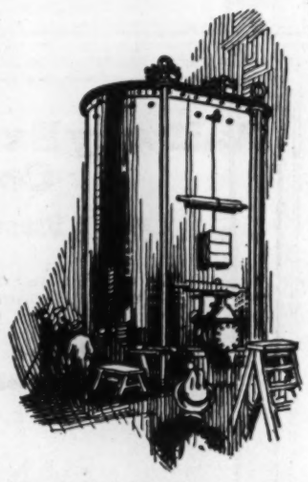


186,000 Miles a Second



The largest electrical transformer in the British Empire—made and installed by Canadian General Electric Company for a leading Canadian industrial organization.

OVER those wires which stretch high overhead races the mighty force of electricity—at the speed of lightning—incredibly swift. The power which traverses these high-voltage transmission lines is sufficient to wreck a community or to build, light and serve a city.

In order that the immense volume of power which is required to meet the demands of home and industry may be delivered economically and safe, a vast amount of transmission equipment must be called into service. Giant transformers convert the energy into tremendously high voltages—as high as 220,000 volts—for transmission across the country. Switching and protective equipment are employed to harness this mighty surge of power. Then, upon its arrival at the electrical station, the energy is again transformed into a low, safe voltage, to flow through the network of wires and cables which form a modern electrical system.

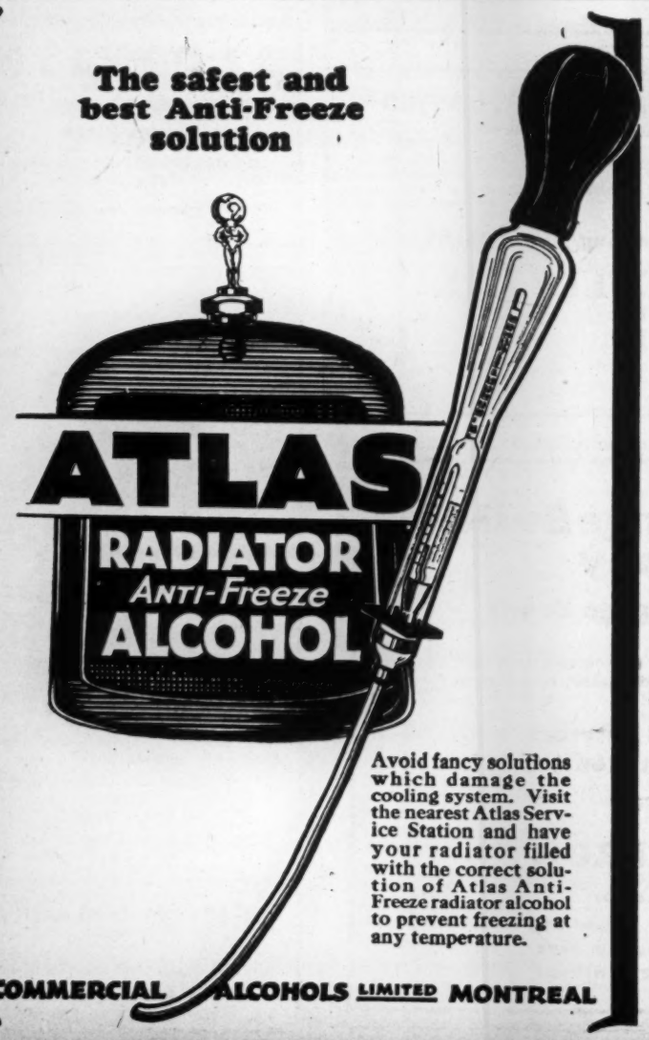
By means of the almost miraculous effect of transformers and transmission equipment, the resistless, lightning power of electricity is harnessed and controlled so that it obeys the touch of a child's finger upon the switch and performs, in absolute safety, the many tasks that fall to its lot in industry and in the home.

The designing and building of generators, transformers and transmission equipment forms a considerable part of the service which Canadian General Electric Company is privileged to render to the development of electricity and to the welfare of Canada.

CGE-62ZH.

CANADIAN GENERAL ELECTRIC Co. Limited
HEAD OFFICE - TORONTO
Sales Offices in All Principal Cities

The safest and best Anti-Freeze solution



Avoid fancy solutions which damage the cooling system. Visit the nearest Atlas Service Station and have your radiator filled with the correct solution of Atlas Anti-Freeze radiator alcohol to prevent freezing at any temperature.

COMMERCIAL ALCOHOLS LIMITED MONTREAL

FAKE DIRECTORY PUBLISHERS ROB BUSINESS FIRMS

Have Different Schemes For Putting Over the Crooked Deals

No one, as far as is known, has been able to determine accurately the average number of callers which the business executive receives in his office each day, but the number is known to be very large. Aside from customers and clients, there comes in and out of his office a veritable stream of individuals and salesmen urging the purchase of everything from books and office supplies, to insurance or automobiles. Scattered among these legitimate business offers are a few which should have careful scrutiny. Not the least of them is from the salesman who solicits advertising space or directory listings for a fraudulent or questionable publication. The perpetrators of fraudulent directory schemes, who it is estimated, collect a sum of money each year running into possibly seven figures, do not confine their activities to one line of business. Every business man no matter what his industry, is a target for the fraudulent directory solicitor. This solicitor enters the business office under many guises and aliases. On many occasions he enlists the aid of the telephone in furthering his illegal practices.

Need Is Apparent for Protection

Business and city directory listings are his bait in most instances, and have borne the brunt of his activities so far, for obvious reasons. As modern business has grown more complex, the need for specialized directory service has also grown, and as this phase of the publishing business expands so opportunities increase for the unscrupulous promoter to vend his wares. The need of protection for the business man, his firm, legitimate directory publishers and the general public is apparent.

The schemes employed by such operators are much alike. There are three general types which have, apparently, proved the most remunerative to the illegal solicitor.

Perhaps the most well-known, is that type which trades on the name of a well-known city directory. One man who operated in this fashion was subsequently arrested for passing worthless cheques. This individual had hired an office and installed a battery of telephones with operators who successfully called up business firms in that city and requested listings in the new "city directory." Unless the persons or firm solicited investigated, he assumed solicitation to be from the regular city directory. Other solicitors represent that space which they offer is for well known and legitimate publications.

Ads. Run Without Orders

A second trend in directory frauds deals with that operator who sends out a bill for listing without preliminary solicitations. While not exactly similar, but one which has proved very misleading is the practice used by a so-called "Association." The operations of this organization occasioned many complaints from business firms and individuals who had signed what they thought was a request for information in a free listing, only to learn later that they had signed a contract. Very profitably, the National Better Business Bureau's advice to "Read Before You Sign" might have been applied here for the blank which the complainants signed carried the contract in very fine print in an upper right hand box of the letterhead, balancing a cut of the directory which appeared in the upper left hand corner. Under the terms of this contract, the signer had agreed to pay $50 per year for two years for space in the directory.

Another objectionable method practised by directory operators is to collect, or attempt to collect, repeatedly for the same listing or advertisement. One solicitor, who had defrauded business concerns in many cities for a period of years, was sentenced to from three months to three years' imprisonment. An interesting outcome of this conviction was the destruction of directory material which the operator admitted having at his home. Two Better Business Bureau representatives discovered and burned in the family furnace two trunkfulls of "working materials" which had been collected over a period of years. Another individual who was apprehended is alleged to have collected from the same firm on seven different occasions.

BIG DEMAND MADE FOR DAIRY PRODUCTS

Orders For Cheese From the United Kingdom Have Been Exceptionally Good

Foreign trade in dairy products this year has been somewhat varied; demand for cheese from the United Kingdom being exceptionally good, while shipments of butter to the same market have dropped off. Competition in the English market is keen, and prices, rather than quality, have ruled. The situation is not unduly adverse.

Government records show that in 1926, the production of creamery butter in Canada amounted to 178,156,375 lbs., valued at $62,025,049, an increase in quantity, compared with the preceding year of 8,661,408 lbs., but a decrease in value of $983,048. The output of 1926 is the second largest in the history of the industry, and is less than the record production of 1924 by only 737,562 lbs.

Provinces Show Increase

All of the provinces show increased production, Manitoba having the largest proportionate increase. The relation which each province bears to the total quantity of production is as follows: Ontario, 35 per cent.; Quebec, 29 per cent.; Alberta, 11 per cent.; Saskatchewan, 9 per cent.; Manitoba, 9 per cent.; Nova Scotia. 3 per cent.; British Columbia, 2 per cent.; and Prince Edward Island and New Brunswick each 1 per cent.

Production of cheese last year amounted to 170,633,781 lbs., valued at $28,673,160, a decrease in quantity from the preceding year of 6,505,332 lbs., and a decrease in value of $7,898,396. Prince Edward Island, Ontario, Manitoba and Saskatchewan record slight increases in production, while the other provinces show decreases.

Little change is shown in the production of condensed and evaporated milk, milk powder, etc., compared with the preceding year, the total value amounting to $9,601,138 in 1926 and $9,844,613 in 1925. Slightly decreased production is shown for condensed whole milk, evaporated milk and milk powder, while increases are shown for condensed skim milk and skim milk powder.

Miscellaneous Products

Included in miscellaneous products are whey butter, ice cream and milk and cream sold by the factories. Ice cream shows a decrease compared with the preceding year, while the other items show considerable increases. The total value of these miscellaneous products was $31,276,795, compared with $28,857,960 in 1925.

The industry as a whole continued to make progress. The number of dairy factories in operation was 3,074, an increase over 1925 of 62 and of 141 over 1924. The total value of output of the factories was $131,576,142, a decrease of $6,706,084, the decrease being due to lower average prices prevailing in dairy products in 1926.

New Financing Forecast

MONTREAL.—At a meeting of the shareholders of the Matthew Moody & Sons Co., held in Montreal, the sale of the company's assets to Hale, Perusse & Co. was ratified. A new company is being formed to take over the Matthew Moody & Sons Co. business under the name of Matthew Moody & Sons Co., Limited.

It is understood that new financing will be undertaken shortly probably in the form of a bond issue.

LESS INDUSTRIAL ACTIVITY AFFECTS ELECTRIC OUTPUT

Cumulative Figures for Nine Months Greater Than Last Year's

Decline in manufacturing activity in September, as noted in government reports, is reflected in the output of central stations during that period. Complete returns from the various operators show an output in thousands of kilowatt hours of 993,114. This compares with 1,034,900 in the preceding month and with 929,387 in September a year ago.

Electric power generated from water was not as pronounced during the month, output having totalled 976,756, or 32,679 units less than in the previous month. On the other hand, power output credited to fuel remained practically stationary, being still above average.

Output of electrical energy dropped in each of the five main economic areas, with the exception of the Prairie Provinces. In August, the Maritime stations accounted for a production of 12,115 units, while for September the total had declined to 9,236. This is the greatest percentage decrease.

Central Output Off

Both Quebec and Ontario show small decreases. Quebec produced 339,237, as compared with the high of 357,634 for the current year, attained in August. There is a fairly substantial increase in comparison with September last year, output in that period having totalled 317,884. Ontario's output dropped from 494,758 units in August to 473,054 in September. This percentage loss is slightly less than in the neighboring province.

Output of the Prairie Provinces in September, standing at 75,009 units, was the highest recorded in the past five months, and is over 40 per cent. greater than in the corresponding month of 1926. While many of the Prairie industrial sections are still dependent upon steam power, it is noticeable that the water power resources of that territory are being more widely exploited. The amount of electrical energy generated by fuel has remained fairly constant in the past year and at present represents about one-seventh of the total output of electricity.

Although production in British Columbia fell away from 83,027 units in August to 80,220 in the following month, the total is the third highest ever recorded in that province. The increasing industrial importance of that area has necessitated the development of several hydro schemes and at the present rate of growth, it will not be long before British Columbia's output of electrical energy passes the 100,000 unit mark.

Daily Exports Higher

While the total monthly export of electrical energy in September was somewhat less than in August, the Government's records show average daily exports of 5.141, as compared with 5.071. Practically all of this power originates in the provinces of Ontario and Quebec, particularly the latter.

Cumulative figures on output for the first nine months of the current year, show an increase of nearly 10 per cent. over the figure for the corresponding period of last year. From January to September, 1927, production of central electric stations in Canada totalled 8,866,000 units (thousand kilowatt hours each), as against 8,110,684 in the same nine months of 1926, an increase of 745,316. Each of the five main areas report an increase over last year, averaging about the same ratio. At the same time exports increased from 1,106,231 units in 1926 to 1,229,836 this year, a favorable difference of 123,605.

If others were not selling by Long Distance you might afford to use it less

"One week's sales of flour, $3,000—85% sold by Long Distance"
—writes a Flour Salesman

CANADIAN GUARANTY TRUST CO.

Acts as Executor, Administrator, Trustee, Guardian, Agent and in any other Fiduciary capacity.

Official Administrator for the Northern Judicial District in Manitoba and for the Swift Current Judicial District in Saskatchewan.

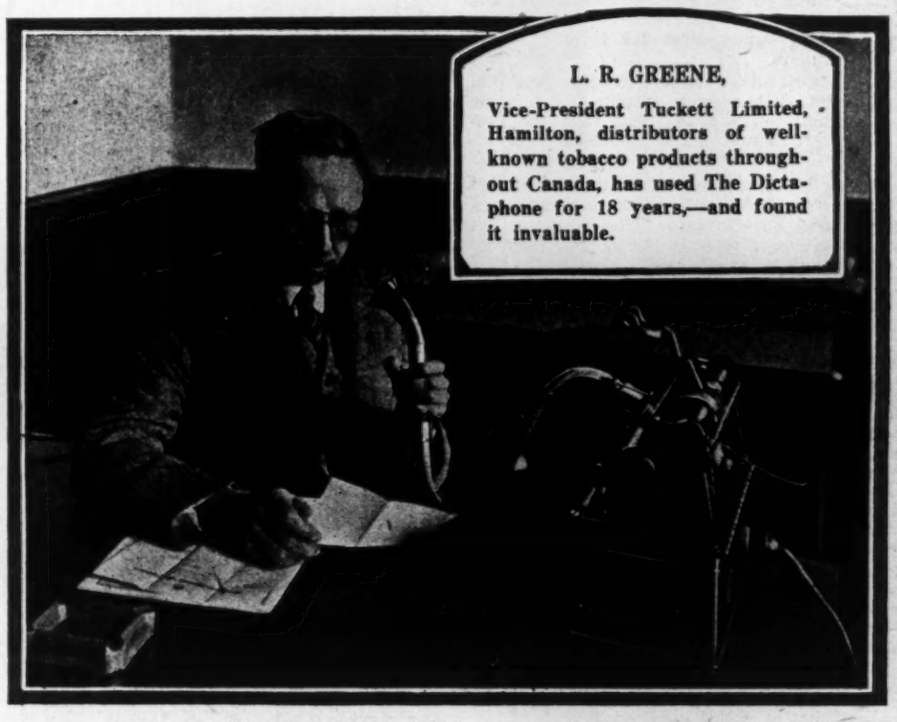
Head Office: BRANDON, MAN. Branch Office: Swift Current, Sask. JOHN R. LITTLE, Managing Director.

What's Wrong With Shorthand?

Secretaries Say:—

"Those awful waits while he chats over the phone."
"Hours wasted while he's in conference."
"No one else can read my notes."
"These endless notes make me dizzy."
"I'm sure he said that, but . . . . "
"Cold notes are maddening."
"No time for real secretarial work."

That's enough! I'll show him this trial offer right away.



L. R. GREENE,

Vice-President Tuckett Limited, Hamilton, distributors of well-known tobacco products throughout Canada, has used The Dictaphone for 18 years,—and found it invaluable.

What's Wrong With Shorthand?

Executives Say:—

"I'm forced to cut dictation short."
"If she could only take it as fast as I think."
"She can't help me with other things."
"If I could only dictate while it's fresh in my mind."
"Pshaw! She's gone. I'll have to wait till tomorrow."
"I had all this clear in my mind last night."

That's enough! I'll send in the coupon below on general principles.

"What I Like is Immediate Service"

"But that's only *one* reason why I value my Dictaphone"

GLADYS REINHOLT,

Secretary to Mr. Greene, calls her Dictaphone "an untiring assistant and a most considerate friend" without which her earning power would be greatly curtailed.

A keen observer is L. R. Greene, Vice-President of Tuckett, Ltd., prominent Canadian distributors of tobacco products. You'll find his comments right to the point.

"Needless delays when you have a big day's work to do are certainly galling. It's an immense satisfaction, on the other hand, to have a Dictaphone always available and ready to accept dictation or to record anything you want put down in black and white.

"I use The Dictaphone intermittently all through the day, often after hours. I don't have to keep calling my secretary or arrange my work to suit her convenience and she never has to come to my desk to take notes or sit idly waiting when I'm interrupted. Instead she's busy typing what I have already given my Dictaphone or is engaged in some other helpful work.

"Being alone in my office helps me to concentrate. My dictation is unhurried and consequently far better phrased than if I were constantly beset by the annoying thought that my stenographer is kept waiting while I'm striving to express myself most clearly.

"I find The Dictaphone especially helpful in outlining sales and advertising bulletins and campaigns; also in recording statistics and report figures. The old method of keeping a stenographer at your desk for a lengthy period while you work out items piecemeal, or of making copious longhand notes and dictating later, is unthinkable when a Dictaphone is at hand."

Gladys Reinholt, Mr. Greene's secretary, says: "I'm a booster for The Dictaphone because it's really an untiring assistant and a most considerate friend. It takes away all the worry that generally goes with shorthand, especially when a girl takes dictation from several executives as I do. I couldn't begin to accomplish so much without it."

Appreciative statements such as these come from thousands of Dictaphone users. When will you let The Dictaphone help **you**? Why not accept our coupon offer and **try** The Dictaphone **yourself**?—Without obligation on your part, of course.

MAIL WITH YOUR LETTERHEAD TO

Dictaphone Sales Corp. Ltd.
33 Melinda Street, Toronto
T. R. CRAYSTON, General Manager

☐ I want to read what leading executives or secretaries say about increasing their ability with The Dictaphone. Mail me FREE copy of your booklet, "What's Wrong With Shorthand?" and "Shorthand Plus."
☐ I am a Secretary ☐ Executive [Check one]
☐ Please notify your nearest office to let me try a New Model 10 without obligation.

World-Wide Organization—U.S.A. London, Paris, Toronto

DICTATE TO THE DICTAPHONE
"REG. CANADA"
and double your ability to get things done

Investigate *before* Investing

NO country in the world offers greater opportunities for human enterprise—for the safe, sane investment of capital in mining, lumbering, water powers, manufacturing and other industries—than Canada.

We welcome enquiries on every aspect of Canadian natural resources. Our Bureau of Information will be glad to advise you.

Call or write:
C. Price-Green, Commissioner, Natural Resources Branch, C.N.R. Offices, Montreal, P.Q.
or
C.T. Young, 1 Toronto St. Toronto, Ont.

CANADIAN NATIONAL RAILWAYS

Ask the Canadian Pacific about Canada

BUREAU OF CANADIAN INFORMATION

THE Canadian Pacific Railway, through its Bureau of Canadian Information, will furnish you with the latest reliable information on every phase of industrial and agricultural development in Canada. In our Reference Library, maintained at Montreal are complete data on natural resources, climate, labor, transportation, business openings, etc. Additional data are constantly being added.

DEVELOPMENT BRANCH—If you are interested in the mining wealth and industry of Canada or in the development or supply of industrial raw materials available from resources along the Canadian Pacific Railway, you are invited to consult this Branch. An expert staff is maintained to investigate information relative to these resources and examine deposits in the field. Practical information is available as to special opportunities for development, use of by-products and markets, industrial crops, prospecting and mining.

"Ask the Canadian Pacific about Canada" is not a mere advertising slogan. It is an intimation of service—without charge or obligation—that the information is available and will be promptly forthcoming to those who desire it.

CANADIAN PACIFIC RAILWAY COMPANY
Department of Colonization and Development.
MONTREAL, CANADA. J. S. Dennis, Chief Commissioner.

PRUDENTIAL TRUST FAILS TO INDICATE MATERIAL GROWTH

(Continued from page 1)

As an indication of what other trust companies have achieved during the same period, the National Trust Co. increased its total assets by 24 per cent in the same period.

Comparing Two Companies

The foregoing comparison of total assets includes, of course, the trust and agency funds, which the companies had under administration. Excluding the trust and agency funds of the Prudential Trust Co., a comparison of the balance sheets over the three-year period reveals that the company's assets showed a decline of some 15 per cent. During the same three years, the National Trust Co., on the other hand, was able to increase its capital account assets by over ten per cent. Perhaps, though, the comparison between the progress made by the National Trust and the Prudential Trust is unfair as the former is a large, healthy company. Nevertheless, it would be reasonable to presume that the Prudential Trust would also make some progress.

Unlike companies in a strong position, the Prudential Trust Company's profit and loss account is represented by a deficit which, therefore, is carried among its assets. This deficit in profit and loss account shows only a fractional decline in the past three years which is all the more significant when it is remembered that the 1926 annual report to the shareholders definitely states that the company's liabilities were reduced by $55,565 as a result of the non-compliance on the part of some of the shareholders to meet the ten per cent. call made on the unpaid portion of the stock at that time. Further, that figure does not include an amount of $14,359 formerly carried under forfeited shares amongst the assets.

While the figures comparing the 1923 and 1926 balance sheet of the Prudential Trust accompanying this article more or less speak for themselves, there are several points well worthy of the consideration of the shareholders. For instance, office premises and furniture account showed a not insubstantial increase during the period. The company, of course, has added to the equipment of its offices, but many other business organizations during such a three year period of prosperity would have charged up a sum of a little over $2,200 to maintenance simply in the interests of conservative accounting.

No Reserves in Balance Sheet

The company's real estate, mortgages, loans and advances show a material decline. There has been a decline also in its holdings of sound municipal bonds. Cash and accounts receivable also show a not insubstantial falling off. And, at the same time, practically no progress has been made in reducing the company's deficit in profit and loss account.

A comparison of the liability side of the balance sheets yields even less to cheer the stockholders, for while the deficit shows practically no reduction, yet the capital stock has been increased substantially, which, naturally tends to reduce the deficit. Accounts payable and accrued show an increase yet on the asset side of the figures under cash and accounts payable show a decline.

The last annual balance sheet of the Prudential Trust shows no reserve of any kind whatsoever.

Would Present Stock Call

All the fundamental industries in Canada have expanded. The crop production has increased largely. The mining industry has showed an amazing growth and the expansion of the pulp and paper and forest products industries has been nothing short of gigantic. Other basic industries such as fishing have increased their production. Agriculture, forestry, mining and fishing are the four great fundamentals upon which Canadian progess is founded. The hydro-electric power industry constitutes the connecting members of the whole industrial structure without which the foundations carry the load they have to bear. Like the four fundamental industries, the electric power industry has also shown an immense growth since the close of 1923.

As far as can be gathered from some of the dissatisfied shareholders, there is no feeling that the present directorate has not been carrying out its duties. The attitude of some of the shareholders is simply that the active management of the company should be changed. The dissatisfied shareholders are asking for proxies for the annual meeting.

There follows a comparison of the condensed balance sheet of the Prudential Trust at the end of 1923 and of 1926:

Assets

	1923	1926
Offices, premises & furniture	$ 87,879	$ 89,631
Real estate	152,205	123,093
Mortgages	163,907	71,802
Loans & advances	48,134	45,484
Municipal bonds	109,584	105,946
Stocks and bonds of other companies	33,300	33,300
Cash & Accts. rec., etc.	113,878	105,971
Def. in P. & L. acct.	152,667	149,461
	861,554	724,688
Trust & agency funds	5,223,452	4,810,036
	6,085,006	5,534,724

Liabilities

December 31	1923	1926
Capital stock	$686,915	$711,756
Forfeited shares	14,359	.....
Unclaimed dividend	83	83
Accts. pay. & accr.	11,797	12,849
Guar. invest. req.	148,400	.....
	861,554	724,688
Trust & agency funds	5,223,452	4,810,036
	6,085,006	5,534,724

NATION'S BUSINESS

(Continued from page 1)

tional Trust and the Besco management. The National Trust has obtained orders which the Besco management have not been able to corral and it has introduced improvements resulting in lower costs.

And Besco, due to expenditure made in leaner years, can rightfully too, claim its share of the credit. But the holder of Besco securities or Dominion Iron bonds cares for none of these things. The satisfactory thing is, not that either Besco or the National Trust has been responsible for the bettered showing, but that the bettered showing has been achieved.

* * *

ONE of the gas industry's most successful companies is Consumers' Gas Co., Toronto. This company has grown tremendously in the last decade, although it has been in the last decade that a publicly owned hydro-electric system has been developed alongside the gas system.

That a privately-owned utility can grow beside, and in some respects in competition with, a publicly owned utility is a tribute to the excellence of the management of the private property. But it is also proof that there is an economic place for the gas industry even where it seems to compete with electricity.

When two industries can grow side by side it is apparent that economics carry on from the point where business rivalry fails. The general manager of Consumers' Gas Co. has had some remarks to make on the matter of gas and electric interests co-operating to determine which form of energy will do a given job better. This is significant of a spirit of progress that is of this generation.

Abbey Mines Starts its Second Diamond Drill

Abbey Mines, operating a property that adjoins Abana in Quebec on the north-west, in line of strike of the latter's ore body, has two diamond drills at work following up the electrical survey. No definite results are reported to date but the indications from the survey were such that important news may be expected any time.

Bunker Hill Dividends $39,277,922

The October dividend distribution of $245,250, or 75c a share, brought total of profit disbursements made by Bunker Hill & Sullivan Mining Co. to $39,277,922.

FOREIGN EXCHANGE

NEW YORK FUNDS

	High (Discount)	Low (Discount)	Last Year High (Discount)	Last Year Low (Discount)
Nov. 10	5-32	5-32	5-32	5-32
Nov. 11	9-64	5-32	9-64	5-32
Nov. 12	5-32	5-32	9-64	5-32
Nov. 14	5-32	5-32	5-32	5-32
Nov. 15	5-32	5-32	9-64	5-32
Nov. 16	5-32	11-64	5-32	5-32

STERLING, FRANCS AND LIRE

	Sterling Close	Francs Close	Lire Close
Nov. 10	4.86⅝	3.92 9/16	5.43⅝
Nov. 11	4.87	3.92⅛	5.44
Nov. 12	4.87 1/16	3.92 11/16	5.42¾
Nov. 14	4.97 1/16	3.95⅝	5.43
Nov. 15	4.87 7/16	3.93¾	5.43½
Nov. 16	4.87 5/16	3.93	5.44½

FOREIGN EXCHANGE

Par		Nov. 9	Nov. 16
13.90	Italian	5.44	5.44
23.82	German	23.79	23.82
19.30	Belgium	13.92	13.93
84.85	Japan	46.20	45.55

PROGRAM EXPANDED BY ST. REGIS PAPER

Canadian Subsidiary to Start on Plant Next Year Near Quebec City

From Our Own Correspondent

MONTREAL.—It is understood that finally the St. Regis Paper Company has definitely embarked on its Canadian expansion program and that construction will start on the plant next year; it will be in production by 1929. The company has recently curtailed its output of newsprint in the United States from over 400 tons daily to 200 tons daily.

St. Regis has long planned to erect a 400 ton paper mill at Cap Rouge, near the city of Quebec. The work will be carried out by the St. Regis Paper Company of Canada, which is the Canadian subsidiary of the United States company of the same name. It owns and leases valuable timber limits in Quebec and at the present time is a large producer of pulpwood. Its logging plants and equipment have an annual capacity of over 100,000 cords. The timber lands controlled by the company in Canada amount to more than 230,000 acres which, it is estimated, contain 2,500,000 cords of pulpwood. More and more is the parent company in the United States switching its activities from paper production into power production.

Rhodesian Mines More Profitable Than Canada's

LONDON.—A pointed hint that his company would not enter into any discussion with Canadian asbestos producers, featured the remarks of Sir Edmund Davis, chairman of the Rhodesia and General Asbestos Corporation, at the annual meeting of his company.

This is the large Rhodesian company that provides the chief opposition for the Canadian producers.

Sir Edmund pointed out that the profit per ton made by his company was greater than the total value of asbestos produced in Canada.

He said, in part:

"The total output from the mines at present being worked, with the equipment now being provided, should be between 34,000 tons and 35,000 tons per annum, comparing with 26,077 tons during the year ended on March 31, 1927.

"The total Rhodesian production for the calendar year 1926 amounted to 33,344 tons. Our contribution to that total was 26,863 tons, and you will have gathered from my remarks that on the completion of the erection of the plant referred to our output should be very near the total Rhodesian for 1926. The full plant should be running in the second half of 1928.

"It is interesting to note that the Canadian output for the calendar year 1926 amounted to 278,689 tons, of an average value of $36.22, i.e., roughly £7 10s. per ton We made a trading profit during the year covered by our accounts of £281,418; that is, about £10 per short ton sold. I merely mention this as we are being continually approached and asked so many questions on the subject of comparison of our undertaking with Canadian and others, and think it best to leave the comparison at the Canadians' only, and not bring others into the picture."

Lake Shore Mines

Limited

(No Personal Liability)

Dividend No. 31—Bonus No. 7

Notice is hereby given that a quarterly dividend of ten per cent., on the issued capital stock of the Company, will be paid on the 15th day of December, 1927, together with a bonus of ten per cent., to shareholders of record at the close of business on the 1st day of December, 1927.

By order of the Board.

KIRKLAND SECURITIES, LIMITED,
Secretary.

Dated at Kirkland Lake, Ontario,
November 15, 1927.

FALK

HERRINGBONE GEARS

Falk Herringbone Gears for tube mills, ball mills, rod mills, kilns, hoists, presses.

Made from special alloy heat-treated steel up to 16' diameter and 6' face.

We are sole sales representatives and licensed manufacturers of Falk Products for Canada.

THE WM. KENNEDY & SONS LIMITED
OWEN SOUND - ONT.
Toronto: 105 Bond St. ELg. 9656

The Bank of Nova Scotia

DIVIDEND No. 232

Notice is hereby given that a Dividend of four per cent. on the paid-up Capital Stock of this Bank has been declared for the current quarter to shareholders of record of December 16, 1927, and that the same will be payable on and after Tuesday, the third day of January next, at any of the offices of the Bank in Canada.

By order of the Board.

J. A. McLEOD,
General Manager.

Halifax, N.S., November 15th, 1927.

DIVIDEND NUMBER 169

Hollinger Consolidated Gold Mines, Limited

(No Personal Liability)

A dividend of 2% on the outstanding Capital Stock of the Company has been declared payable on the 2nd day of December, 1927, on which date cheques will be mailed to shareholders of record at the close of business on the 16th day of November, 1927.

Dated the 9th day of November, 1927.

I. McIVOR,
Assistant-Treasurer.

The Shawinigan Water & Power Company

Notice of Redemption

To the holders of the Series "E" Five Per Cent. First Refunding Mortgage Sinking Fund Gold Bonds of The Shawinigan Water and Power Company.

NOTICE IS HEREBY GIVEN that all of the outstanding Series "E" Five Per Cent. First Refunding Mortgage Sinking Fund Gold Bonds of The Shawinigan Water and Power Company, issued under and secured by a Trust Deed of Hypothec, Mortgage and Pledge, dated October 8th, 1919, and Deeds supplemental thereto, in favour of Montreal Trust Company, as Trustee, which would, according to their terms, mature on October 1st, 1955, will be redeemed by the Company, pursuant to the terms of the said Deeds, on the First day of April, 1928, at par with a premium of five per cent. thereon and with interest accrued to the date of redemption.

The said Bonds will be paid at the redemption price aforesaid upon surrender thereof, with the coupons maturing on April 1st, 1928, and all coupons for subsequent interest attached thereto, at the principal office of The Royal Bank of Canada, in the City of Montreal, Canada, or at the principal office of the Bank of the Manhattan Company, in the Borough of Manhattan, City and State of New York, U.S.A., or at the Bank of Scotland, in London, England, at the holder's option.

In case such Bonds are not presented for redemption on April 1st, 1928, all interest on said Bonds will cease from and after the said date.

DATED at Montreal, this 29th day of September, 1927.

THE SHAWINIGAN WATER & POWER COMPANY.
(Sgd.) JAMES WILSON,
Secretary.

Referring to the foregoing Notice of Redemption, holders of the said Series "E" Five Per Cent. First Refunding Mortgage Sinking Fund Gold Bonds may surrender the same at the principal office of The Royal Bank of Canada, Montreal, or at the principal office of the Bank of the Manhattan Company, Borough of Manhattan, N.Y., or at the Bank of Scotland, London, England, at any time on or after November 1st, 1927, and prior to the date fixed for redemption, and upon such surrender will receive a sum equal to the redemption price of one hundred and five per cent. (105%) with interest accrued on such Bonds to the date of surrender thereof.

THE SHAWINIGAN WATER & POWER COMPANY.
(Sgd.) JAMES WILSON,
Secretary.

The Shawinigan Water & Power Company

Notice of Redemption

To the holders of the Series "C" Six Per Cent. First Refunding Mortgage Sinking Fund Gold Bonds of The Shawinigan Water and Power Company.

NOTICE IS HEREBY GIVEN that all of the outstanding Series "C" Six Per Cent. First Refunding Mortgage Sinking Fund Gold Bonds of The Shawinigan Water & Power Company, issued under and secured by a Trust Deed of Hypothec, Mortgage and Pledge, dated October 8th, 1919, and Deeds supplemental thereto, in favour of Montreal Trust Company, as Trustee, which would, according to their terms, mature on July 1st, 1950, will be redeemed by the Company, pursuant to the terms of the said Deeds, on the First day of January, 1928, at par with a premium of five per cent. thereon and with interest accrued to the date of redemption.

The said Bonds will be paid at the redemption price aforesaid upon surrender thereof, with the coupons maturing on January 1st, 1928, and all coupons for subsequent interest attached thereto, at the principal office of The Royal Bank of Canada, in the City of Montreal, Canada, or at the principal office of the Bank of the Manhattan Company, in the Borough of Manhattan, City and State of New York, U.S.A., or at the Bank of Scotland, in London, England, at the holder's option.

In case such Bonds are not presented for redemption on January 1st, 1928, all interest on said Bonds will cease from and after the said date.

DATED at Montreal, this 29th day of September, 1927.

THE SHAWINIGAN WATER & POWER COMPANY.
(Sgd.) JAMES WILSON,
Secretary.

Referring to the foregoing Notice of Redemption, holders of the said Series "C" Six Per Cent. First Refunding Mortgage Sinking Fund Gold Bonds may surrender the same at the principal office of The Royal Bank of Canada, Montreal, or at the principal office of the Bank of the Manhattan Company, Borough of Manhattan, N.Y., or at the Bank of Scotland, London, England, at any time on or after November 1st, 1927, and prior to the date fixed for redemption, and upon such surrender will receive a sum equal to the redemption price of one hundred and five per cent. (105%) with interest accrued on such Bonds to the date of surrender thereof.

THE SHAWINIGAN WATER & POWER COMPANY.
(Sgd.) JAMES WILSON,
Secretary.

The Shawinigan Water & Power Company

Notice of Redemption

To the holders of the Series "D" Five and One-Half Per Cent. First Refunding Mortgage Sinking Fund Gold Bonds of The Shawinigan Water and Power Company.

NOTICE IS HEREBY GIVEN that all of the outstanding Series "D" Five and One-Half Per Cent. First Refunding Mortgage Sinking Fund Gold Bonds of The Shawinigan Water and Power Company, issued under and secured by a Trust Deed of Hypothec, Mortgage and Pledge, dated October 8th, 1919 and Deeds supplemental thereto, in favour of Montreal Trust Company, as Trustee, which would, according to their terms, mature on April 1st, 1954, will be redeemed by the Company, pursuant to the terms of the said Deeds, on the First day of April, 1928, at par with a premium of five per cent. thereon and with interest accrued to the date of redemption.

The said Bonds will be paid at the redemption price aforesaid upon surrender thereof, with the coupons maturing on April 1st, 1928, and all coupons for subsequent interest attached thereto, at the principal office of The Royal Bank of Canada, in the City of Montreal, Canada, or at the principal office of the Bank of the Manhattan Company, in the Borough of Manhattan, City and State of New York, U.S.A., or at the Bank of Scotland, in London, England, at the holder's option.

In case such Bonds are not presented for redemption on April 1st, 1928, all interest on said Bonds will cease from and after the said date.

Dated at Montreal, this 29th day of September, 1927.

THE SHAWINIGAN WATER & POWER COMPANY.
(Sgd.) JAMES WILSON,
Secretary.

Referring to the foregoing Notice of Redemption, holders of the said Series "D" Five and One-Half Per Cent. First Refunding Mortgage Sinking Fund Gold Bonds may surrender the same at the principal office of The Royal Bank of Canada, Montreal, or at the principal office of the Bank of the Manhattan Company, Borough of Manhattan, N.Y., or at the Bank of Scotland, London, England, at any time on or after November 1st, 1927, and prior to the date fixed for redemption, and upon such surrender will receive a sum equal to the redemption price of one hundred and five per cent. (105%) with interest accrued on such Bonds to the date of surrender thereof.

THE SHAWINIGAN WATER & POWER COMPANY.

The Shawinigan Water & Power Company

Notice of Redemption

To the holders of the Series "B" Thirty-Year Six Per Cent. First Refunding Mortgage Sinking Fund Gold Bonds of The Shawinigan Water and Power Company.

NOTICE IS HEREBY GIVEN that all of the outstanding Series "B" Thirty-Year Six Per Cent. First Refunding Mortgage Sinking Fund Gold Bonds of The Shawinigan Water & Power Company, issued under and secured by a Trust Deed of Hypothec, Mortgage and Pledge, dated October 8th, 1919, and Deeds supplemental thereto, in favour of Montreal Trust Company, as Trustee, which would, according to their terms, mature on July 1st, 1950, will be redeemed by the Company, pursuant to the terms of the said Deeds, on the First day of January, 1928, at par with a premium of five per cent. thereon and with interest accrued to the date of redemption.

The said Bonds will be paid at the redemption price aforesaid upon surrender thereof, with the coupons maturing on January 1st, 1928, and all coupons for subsequent interest attached thereto, at the principal office of the Royal Bank of Canada, in the City of Montreal, Canada, or at the principal office of the Bank of the Manhattan Company, in the Borough of Manhattan, City and State of New York, U.S.A., or at the Bank of Scotland, in London, England, at the holder's option.

In case such Bonds are not presented for redemption on January 1st, 1928, all interest on said Bonds will cease from and after the said date.

DATED at Montreal, this 29th day of September, 1927.

THE SHAWINIGAN WATER & POWER COMPANY.
(Sgd.) JAMES WILSON,
Secretary.

Referring to the foregoing Notice of Redemption, holders of the said Series "B" Thirty-Year Six Per Cent. First Refunding Mortgage Sinking Fund Gold Bonds may surrender the same at the principal office of The Royal Bank of Canada, Montreal, or at the principal office of the Bank of the Manhattan Company, Borough of Manhattan, N.Y., or at the Bank of Scotland, London, England, at any time on or after November 1st, 1927, and prior to the date fixed for redemption, and upon such surrender will receive a sum equal to the redemption price of one hundred and five per cent. (105%) with interest accrued on such Bonds to the date of surrender thereof.

THE SHAWINIGAN WATER & POWER COMPANY.

Executive—

Associated with a leading industry for many years, whose business has been absorbed by a larger organization, is open for engagement with a progressive company as assistant to chief, or in any capacity of responsibility.

Accustomed to manufacturing from an efficiency or industrial engineering standpoint, sales and finance.

Replies treated strictly confidential. **Box 136, The Financial Post, Toronto**

THE CANADIAN BANK OF COMMERCE

Dividend No. 163

Notice is hereby given that a dividend of Three per cent. upon the paid-up capital stock of this Bank has been declared for the quarter ending 30th November, 1927, together with a bonus of one per cent., payable at the Bank and its Branches, on and after Thursday, 1st December next.

The Transfer Books of the Bank will be closed from the 16th November to 30th November next, both days inclusive.

By Order of the Board.

S. H. LOGAN,
General Manager.

Toronto, 14th October, 1927.

The Shawinigan Water and Power Company

To: The holders of the Five Per Cent. (5%) Consolidated Mortgage Thirty Year Gold Bonds of the above named Company, due January 1, 1934, secured by Trust Deed dated June 14th, 1904, in favour of The Royal Trust Company, Trustee.

NOTICE is hereby given that in the exercise of the power reserved to it under the provisions of the said Trust Deed, the undersigned Company will, on the first day of January, 1928, redeem all of its Five Per Cent. (5%) Consolidated Mortgage Thirty Year Gold Bonds, which may be then outstanding, by payment of the principal thereof with a premium of ten per cent. (10%) thereon and accrued interest to the said first day of January, 1928, at the principal office of the Bank of Montreal, in Montreal, Canada, or London, England, or at the agency of the said Bank in the City of New York, U.S.A., at the option of the holder or bearer.

Holders of said Bonds are accordingly required to present their Bonds, together with all unmatured coupons attached, for redemption, on the aforesaid date, from and after which said Bonds will cease to bear interest.

Dated at Montreal, Canada, this 12th day of September, 1927.

THE SHAWINIGAN WATER & POWER COMPANY,
Jas. Wilson,
Secretary.

Referring to the foregoing Notice of Redemption, holders of the said Five Per Cent. (5%) Consolidated Mortgage Thirty-Year Gold Bonds may surrender the same at the principal office of the Bank of Montreal in Montreal, Canada, or London, England, or at the agency of the said Bank in the City of New York, U.S.A., at any time on or after November 1st, 1927, and prior to the date fixed for redemption, and upon such surrender will receive a sum equal to the redemption price of One Hundred and ten per cent. (110%) with interest accrued on such Bonds to the date of surrender thereof.

THE SHAWINIGAN WATER & POWER COMPANY,
(Sgd.) Jas. Wilson,
Secretary.

The Shawinigan Water & Power Company

Notice of Redemption

To the holders of the Series "A" Thirty-Year Five and One-Half Per Cent. First Refunding Mortgage Sinking Fund Gold Bonds of The Shawinigan Water and Power Company.

Notice is hereby given that all of the outstanding Series "A" Thirty-Year Five and One-Half Per Cent. First Refunding Mortgage Sinking Fund Gold Bonds of The Shawinigan Water and Power Company, issued under and secured by a Trust Deed of Hypothec, Mortgage and Pledge, dated October 8th, 1919, and Deeds supplemental thereto, in favour of Montreal Trust Company, as Trustee, which would, according to their terms, mature on January 1st, 1950, will be redeemed by the Company, pursuant to the terms of the said Trust Deed, on the First day of December, 1927, at par with a premium of ten per cent. thereon and with interest accrued to the date of redemption.

The said Bonds will be paid at the redemption price aforesaid upon surrender thereof, with the coupons maturing on December 1st, 1927, and all coupons for subsequent interest attached thereto, at the principal office of The Royal Bank of Canada, in the City of Montreal, Canada, or at the principal office of the Bank of the Manhattan Company, in the Borough of Manhattan, City and State of New York, U.S.A., or at the Bank of Scotland, in London, England, at the holder's option.

In case such Bonds are not presented for redemption on December 1st, 1927, all interest on said Bonds will cease from and after the said date.

Dated at Montreal, this 29th day of September, 1927.

THE SHAWINIGAN WATER & POWER COMPANY.
(Sgd.) JAMES WILSON,
Secretary.

Referring to the foregoing Notice of Redemption, holders of the said Series "A" Thirty-Year Five and One-Half Per Cent. First Refunding Mortgage Sinking Fund Gold Bonds may surrender the same at the principal office of The Royal Bank of Canada, Montreal, or at the principal office of the Bank of the Manhattan Company, Borough of Manhattan, N.Y., or at the Bank of Scotland, London, England, at any time on or after November 1st, 1927, and prior to the date fixed for redemption, and upon such surrender will receive a sum equal to the redemption price of one hundred and ten per cent. (110%) with interest accrued on such Bonds to the date of surrender thereof.

THE SHAWINIGAN WATER & POWER COMPANY.

Manufacturers of

Valves, Fittings and Pulp Mill Equipment

in

Brass, Iron, Semi-Steel and Steel

for

Steam, Gas, Water, Air, Oil or Acid, used by Railroads, Pulp Mills, Mercantile and Admiralty Service, Shipbuilders, Mines, Mills, Factories, Power Plants, Water Works, Engineers, Architects, Contractors, Builders, Superintendents, Machinists, Metal Workers, Plumbers, Gas and Steam-fitters.

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ST. JOHN, N. B
CANADA

MONTREAL QUEBEC TORONTO OTTAWA WINNIPEG VANCOUVER

Featuring The Maritime Provinces

THE FINANCIAL POST

Vol. XXI. PUBLICATION OFFICE: TORONTO, NOVEMBER 18, 1927 No. 46

Maritimes Demand Duncan Report be Fully Adopted

Debt Allowance Fixed by the Dominion at Confederation, Which Was Based on Provincial Debt at That Time, Has Worked Out Unfavorably so Far as Maritime Provinces Are Concerned

By RIELLE THOMSON,
Eastern Editor, The Financial Post

Although general public opinion in the Dominion believes that the Duncan Commission has adjusted most of the handicaps of the Maritimes, as yet only two of the thirty recommendations of the Royal Commission on Maritime rights have been implemented. This commission, usually known as the Duncan Commission, about a year ago, made some thirty broad recommendations to the federal government designed, not as a sop to the Maritimes for the poor business conditions which have prevailed since Confederation, but to carry out a few of the many promises made to the Maritimes at Confederation and re-affirmed with great regularity by every succeeding government.

In other words, the recommendations of the Duncan Commission were made to allow the Maritime Provinces to carry on on an equitable basis with the other six provinces.

Only two of the thirty recommendations of Sir. Andrew A. Duncan have been put into effect. Seven have been partially implemented. On nine no action has been taken, and of the twelve remaining recommendations, it is possible that some may later receive attention from the government.

The Dominion and also the provincial governments of Quebec, Ontario, and the Prairie Provinces have since Confederation received large increases in their territory by the acquisition of further lands.

Extra-provincial Lands

The extra-provincial lands which came into the possession of the Dominion government at the date of Confederation were acquired by purchase and have been developed and given their value at the expense of the Dominion as a whole. Naturally, also, at the expense of the Maritime Provinces. Also, the amounts which the western provinces derive from school lands have been made available for educational purposes are many times greater than the appropriations which the Maritime Provinces make, or could possibly make, out of their own revenues for educational purposes.

While the Duncan Commission was not expected to reach any final conclusion on this matter, nevertheless the commission definitely says that this is a matter upon which consideration should be given the seaboard provinces. No such consideration has yet been granted.

It is obvious that both Quebec and Ontario and the Dominion have benefited to a very large degree by the acquisitions of further territory since Confederation. In such benefits, the Maritimes, according to the impartial decision of the Duncan Commission, have a right to share.

At the time of Confederation, Prince Edward Island had no public lands, but in 1873, when the island province agreed to enter Confederation, the federal government agreed to loan the province money with which it could purchase its lands from the absentee holders, largely resident in England, and re-sell them again to settlers. The arrangement worked out badly for P. E. I., and the re-sale of these large areas netted less than had been paid the absentee landlords. Thus, the Duncan recommendation regarding this matter says: "We think it must be looked at in the general financial revision or re-adjustment which we are suggesting for the Maritimes."

Prince Edward Island has not yet received any consideration along these lines, but it is to be presumed that it is a matter upon which the federal government may take, at least, some action.

Debt Allowance

At Confederation the Dominion fixed a debt allowance to each of the provinces. This allowance was based on the provincial debt at that time, and it has worked out very unfavorably as far as the Maritime Provinces are concerned, especially as compared with the three western provinces. Therefore, the Duncan recommendation definitely set out that as the Maritime Provinces were being dealt with on a different basis from the western provinces, their debt allowances should be re-considered. As yet, no consideration has been given this recommendation of the commission, but some action will perhaps be taken at a later date.

From the foregoing it can be seen that the Duncan Commission was satisfied that the Maritimes has a genuine claim for the re-adjustment of the financial arrangements which existed between the Dominion and themselves, and thus, due to the present grave necessity of the provinces, it recommended an immediate interim lump sum payment to the provinces as follows: Nova Scotia, $875,000; New Brunswick, $600,000; Prince Edward Island, $125,000. This recommendation was only implemented in part, for but one-half of these lump sums was paid as at July 1 last, and the remaining half will be paid later.

The Maritime Provinces also claimed that they suffered under railway rate discrimination; their claims were substantiated when the Duncan Commission found that since 1912 the Maritimes had suffered under a rate increase amounting to 92 per cent., while the average increase of the remainder of Canada was only 55 per cent. The commission, therefore, recommended a reduction in the Maritime rail rates.

Rates on Traffic

The commission further recommended an immediate 20 per cent. reduction in rates on traffic both originating and terminating in the Atlantic division of the Canadian National Railway. This included export and import traffic by sea from and to that division. The same reduction would apply to the Atlantic division

How Duncan Recommendations Have Been Carried Out

Recommendations	Action Taken
1 That Maritimes should be given consideration in lieu of their lack of Crown lands.	Nothing done yet. May receive attention later.
2. That P. E. I. be recompensed for its losses in Crown lands transaction.	No action taken. May receive attention later.
3. That public debt allowances to three provinces be increased.	May receive attention later. No increases ordered.
4. That provinces receive immediate interim lump sum payment.	Only 50 per cent. paid immediately; remaining 50 per cent. will be paid.
5. That Maritime Provinces freight rates be reduced 20 per cent.	Largely carried out; the manner of applying these reductions, though, has not been satisfactory. There has been some discrimination.
6. That Saint John and Ste. Rosalie gateways situation should be arranged by Railway Board.	The C. N. R. is endeavoring to keep gateway closed, despite the order of the Railway Board.
7. That Railway Board reconsider certain war-time freight increases which further handicap the Maritimes.	Rates are unchanged.
8. That Railway Board's powers be expanded to enable certain rates, destined to expand industry, to be established.	Ignored.
9. That P. E. I. railway service and roadbed be improved.	Only partially implemented.
10. That P. E. I. ferry service be bettered.	Some improvement only.
11. That ports of Halifax and Saint John be nationalized.	Only partially and unsatisfactorily implemented.
12. That adequate provision be made to meet P. E. I. harbor requirements.	Some steps taken.
13. That something be done by way of treaty to better Maritime market for fish and forestry products.	Nothing done.
14. That a deputy minister of fisheries be appointed.	Necessary legislation passed, but no deputy minister has yet been appointed.
15. That deputy minister of fisheries should frame conservation regulations.	May receive attention later.
16. That further fishery educational work be initiated.	May receive attention later. No action taken yet.
17. That Railway Board study the possibility of cheaper rates on coal export shipments at St. Lawrence ports, thus to widen N. S. coal market.	Nothing has been done.
18. That federal subvention to railways carrying coal be renewed.	No action taken.
19. That coking plants be established.	Financial aid now to be given to coking plants using N. S. coals.
20. That present coal tariffs be reconsidered.	No action taken.
21. That prompt action be taken to safeguard future of N. S. steel industry.	No action taken.
22. That steel made from Canadian coal receive a bonus equivalent to the drawback allowed manufacturers which use foreign coal.	No action taken.
23. That federal and provincial governments combine to work out a better farm settlement scheme in the Maritimes.	No action taken. May receive attention later.
24. That a tribunal inquire into the possibility of the acquisition of the "Valley Railway" by the Dominion.	No action taken.
25. That negotiations be reopened for the purchase of Kent Northern Railway.	No action taken.
26. That trade commissioners should have wider scope to develop the Maritimes' foreign markets.	Some betterment has taken place.
27. That a geological survey of N. B. and P. E. I. be undertaken.	No action taken.
28. That in P. E. I. the technical education grant should be made available for agricultural education.	No action taken.
29. That statistical figures should be compiled and published regularly on domestic and foreign trades of Maritimes.	No figures yet.
30. That Bureau of Statistics be enlarged to allow a more complete covering of Maritime activities, and that a report on the Maritimes be published.	May be enlarged. Report not yet issued.

Only Two of Thirty Odd Recommendations of Royal Commission Have Been Carried Out, Aver Eastern Provinces — Seven Partially Implemented, and on Nine No Action Has Been Taken

proportion of through rates on all traffic originating in the Maritimes, excluding import traffic by sea only, and consigned to points outside the Atlantic division. The commission also recommends that the Atlantic division be extended from Riviere du Loup to Diamond Junction, in order that traffic to and from the Maritimes would make a better showing in the accounting of the Canadian National Railways.

While this recommendation has been implemented in part, yet the rail rate reductions differ very considerably from the 20 per cent. figure. Some points get more than 20 per cent. and others receive less. Saint John receives less —in some cases only a 16 per cent. reduction, and the city of Saint John contends that a flat 20 per cent. reduction should have been applied, as was recommended by the commission. The situation, as far as the city of Saint John is concerned, has proved disappointing.

While the recent Maritime Freight Act allowed the 20 per cent. reduction on export traffic from the Maritimes, it did not allow the reduction on import traffic.

Furthermore, the 20 per cent. reduction allowed on through rates on all traffic originating in the Atlantic Division has not been considered, much to the disappointment of the basic industries in the Maritimes. Where traffic is destined for U.S. points the government and the Canadian National Railway state that the American lines would simply increase their proportion of the cost of the whole, and thus nullify any advantage to Maritime shippers.

About 80 per cent. of the total rail traffic of the Maritimes is handled by the Canadian Pacific Railway. In many instances, Maritime shippers desire to have their shipments carried by the C. P. R. as near the point of origin as possible. This brings up the question of what is known as the Saint John and the Ste. Rosalie Junction gateways. The Duncan report says that Maritime shippers who ship on the C.N.R. should be allowed to have their cars switched either at Saint John or Ste. Rosalie—the nearest interchange point for the majority of the Maritime province shippers. But the Canadian National Railway desires to close the gateways and to haul the freight on its own lines as far as possible.

To Keep Gateways Open

In some instances, due to switching costs, such action would result in higher rail rates for the Maritime shippers. Hence their desire to keep the gateways open. This is another Duncan recommendation upon which no action has been taken, but which may be arranged later despite the fact that the C.N.R. is fighting the Railway Board's order that the gateways be opened.

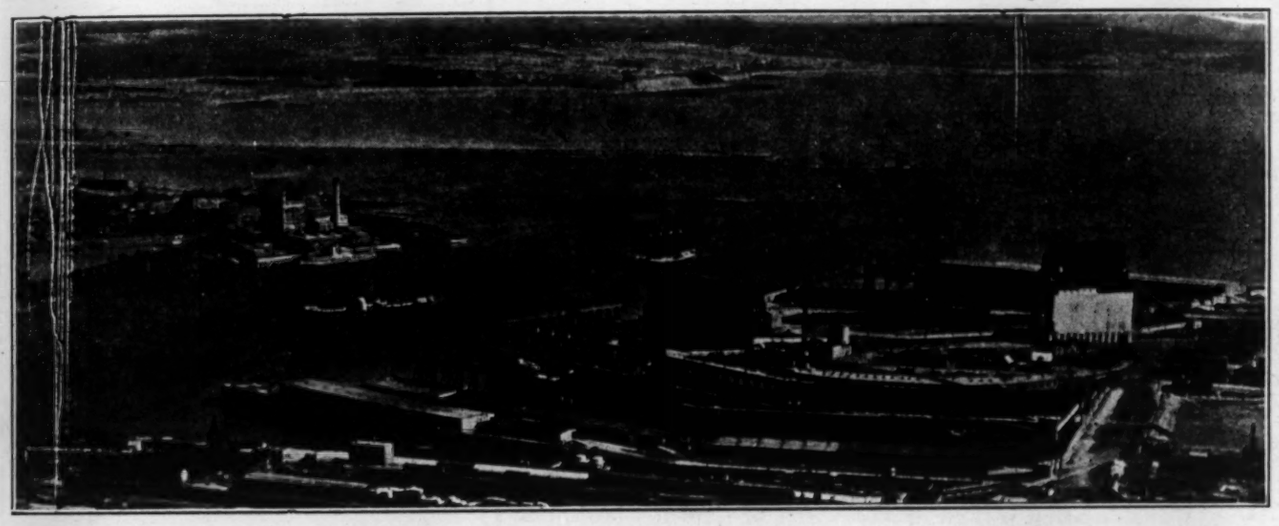
During the war, the railroads added straight percentage increases to their rates to keep step with increased costs. It can be seen that such increases were but a temporary expedient to keep step with the tremendous increase in operating costs experienced by the roads at that time. It is obvious that for long haul freights the increases should not have been as great as for the short haul. Thus, the Maritimes have been severely handicapped, and the Duncan Commission recommended that this matter should be considered again by the Railway Commission. But like the other twenty-one out of thirty recommendations, no action on this has been taken.

Dealing with railway rates generally, the report recommends that the present limited powers of the Board of Railway Commissioners be expanded, so that the commission may have the right to order experimental rates, even though these may not give reasonable compensation to the railway companies. The object of such experimental rates is to build up industry and commerce, and the development of potential natural resources, now prevented by existing rate schedules. While a resolution of the Vancouver Convention of the Canadian Chamber of Commerce urging this concession was passed unanimously, yet no action has been taken.

Regarding the railway service to, and in Prince Edward Island, the commission made recommendations involving the improvement of the Island railway's road bed and train service, and ferry service. Some improvements in the railway service to the Island have been made, but apparently nothing very extensive. However, it is to be admitted that something has been done along these lines.

Clearly, the Duncan recommendation involves a literal nationalization of the Ports of

(Continued on page 25)



Aeroplane View, Showing Section of Harbor, C.P.R. Winter Port Terminals, Atlantic Sugar Refinery and Courtenay Bay.

THE PORT OF SAINT JOHN

A great nationally operated port—open all year round—strategically located for Canada's export and import trade—now administered by the Saint John Harbor Commission to the advantage of all shippers.

Unique Advantages to Shippers

The Port of Saint John is one of the great nationally owned and operated ocean gateways of Canada:—

It is open every day of every year.

It is wholly free from ice troubles.

It is accessible at all times of tide.

In the entrance channel it has a low water depth of thirty-two feet, and a high water depth of sixty feet.

It has a low water depth of thirty-two feet and a high water depth of about sixty feet at its chief ocean piers.

It is splendidly sheltered in its natural, hill-encompassed basin at the mouth of the mighty Saint John River, which extends inland for 450 miles.

It is equipped for the economical, expeditious handling of ocean traffic — passenger and cargo.

Opportunities for Manufacturers

SAINT JOHN offers most favorably every essential to industrial success:—

Power and light at attractive rates.
Cheap water-borne coal.
A particularly fine class of worker — male and female.
Freedom from costly and disrupting labor troubles.
Unlimited purest water.
Remarkable transportation facilities, including two great trunk railways and numerous branches radiating in all directions.
Good living conditions in the heart of, perhaps, the most beautiful and delightful section of all Canada.
Moderate taxation.
A large, splendidly equipped vocational training school.

To manufacture at Saint John means to escape costly rail hauls on imported raw materials as well as on fabricated exports.

The Saint John manufacturer stands upon the veritable threshold of the world's markets.

Port Administration

Saint John Harbor Commissioners

Hon. Dr. WALTER E. FOSTER — President

WILLIAM E. SCULLY

Lt. Col. ALEXANDER McMILLAN

Inquiries may be addressed to
Saint John Harbor Commissioners,
Saint John, N.B.

Civic Administration

Mayor and City Commissioners

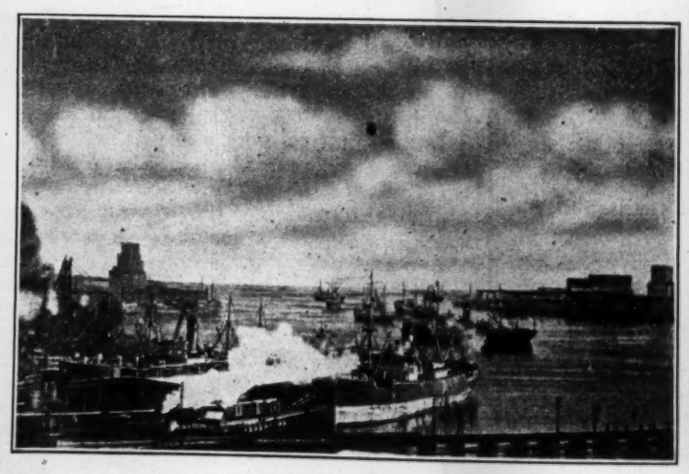
His Worship Mayor W. W. White, M.D.

Commissioner of Harbors, Ferry and Public Lands — Thomas Bullock

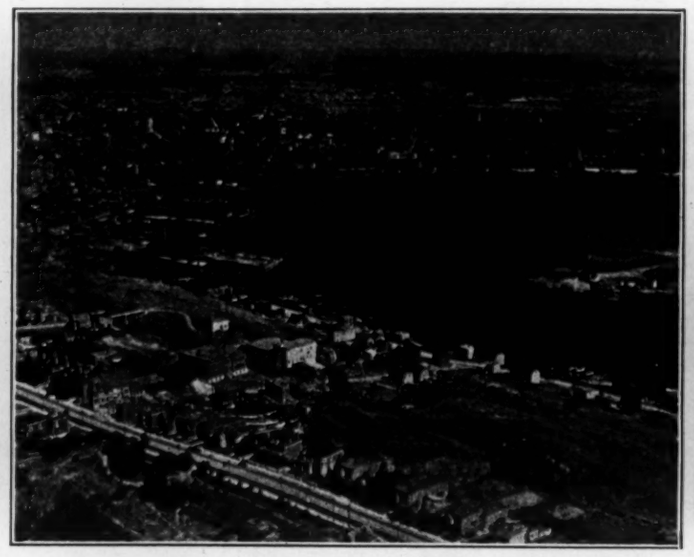
Commissioner of Public Safety—W. L. Harding

Commissioner of Public Works—Dr. J. H. Frink

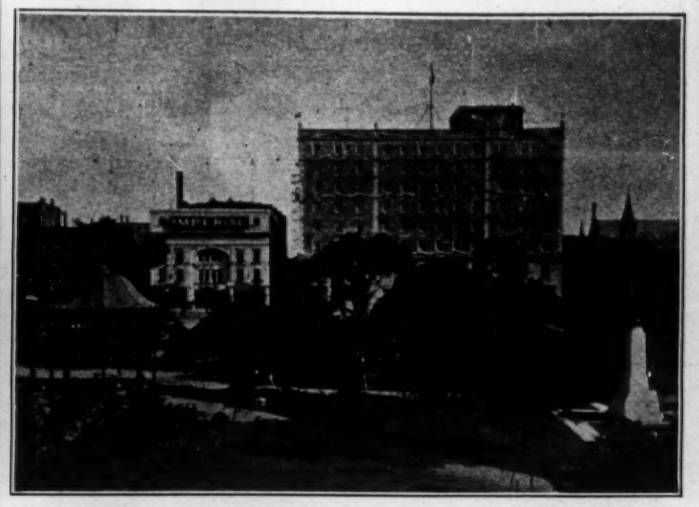
Commissioner of Water and Sewerage — Hon. R. W. Wigmore



Part of the Harbor of Saint John, Showing the Three Grain Elevators.



Aeroplane View of Saint John, Showing Upper Portion of Harbor and Navy Island in Right Foreground.



A King Square Vista, Showing the Great War Memorial, Imperial Theatre and Admiral Beatty Hotel in Background.

MARITIMES AVER OUTLETS TO SEA VITAL TO CANADA

Dominion is Largest Exporter per Capita in World

Aside altogether from Maritime demands and Maritime rights, there are many reasons why the situation, the prevailing thought and the happiness of those resident in the three Atlantic provinces are of vital importance to Canada.

The sea history of the Anglo-Saxon race speaks so loudly of the part played by the sea and those who go down to the sea in ships in our civilization, that it seems like laboring the obvious to deal with the necessity of conserving the sea traditions and of maintaining the close associations with our sea peoples. It is not to be forgotten that Canadians spring from a race which has survived grand storms and has finally dominated only as it has cultivated those benefits arising from sea tradition, sea trade and sea culture.

Sea Traditions

The sea tradition is one of courage; courage in surmounting obstacles, courage in discovering new lands and new trade routes, courage in the conduct of every day affairs, handed down through generations of sea activity.

The encouragement of sea trade brought to the British Empire a national prestige, a national prosperity and a national dominance, envied and respected by all the nations of the earth. But sea culture is greater than these. It has brought the knowledge of the nation to the British—a knowledge which has come only through sea associations, and which has been applied to successful thought, successful government and successful business.

All these things are more spiritual than physical, but the realities which apply to the successful conduct of government can be reached by spiritual as well as physical means.

Largest Exporter

With an export trade totaling some $250 per capita, the Dominion is now far and away the largest per capita exporter in the world. The carrying on of a great export trade means the protection of trade routes, the investment of funds in foreign securities, the investment in merchant ships, and always the need of proper outlets to the sea.

The importance of the last cannot be over-emphasized, witness the struggle of European inland states to acquire pathways to the sea through which they may ship their commerce overseas. Examples of these struggles could be multiplied a thousand fold. They indicate the vital importance that the Maritime Provinces play in the Canadian cosmos.

The importance of maintaining proper outlets to the sea can never be over-estimated, even though a large percentage of the Dominion's foreign trade leaves these shores via the St. Lawrence and other countries, and perhaps always will continue to do so.

The Dominion of Canada is a country some 3,500 miles long, with a colonized average breadth of certainly not more than 100 miles — that is, averaged throughout its whole length. This is a liberal estimate when such regions as the Rockies, the north shore of Lake Superior and the lower portion of the Province of Quebec and the upper part of New Brunswick, which are practically uncolonized, are taken into consideration.

Economic Areas

The Dominion, by reason of these four more or less barren regions, is divided into four great economic areas: the Pacific slope, the Prairie Provinces, Central Canada and the Maritime Provinces. To build a country from such a narrow and stretched out series of economic units great sacrifices are necessary and great burdens must be borne. The Maritime Provinces have borne great physical handicaps, they have borne more than their share of the burden. If for none other than spiritual reasons only, the Dominion would do well to assure that the load is distributed equitably amongst her peoples.

SPORTSMEN VISIT NEW BRUNSWICK

Many U.S. Visitors Journey to Province for Hunting and Fishing

New Brunswick is attracting more and more sportsmen each year. Because of the short overnight journey to the larger U.S. cities, the number of United States hunters and fisherman who come to the province this year has increased enormously. It is generally conceded that moose are found in greater numbers and with a greater spread of horn in the Maritimes than in any other section of the Dominion. New Brunswick particularly, with its many lakes, swamps and ponds, provides abundant food for moose, and in spite of the annual toll taken by hunters, they appear to be increasing in numbers.

The shooting of partridge has been prohibited in New Brunswick for several years, as large numbers of the birds were exterminated by an insect pest. But the partridges are coming back and in three days well over 100 birds were seen by a party of three hunters from Boston. This autumn, many leading New York and Boston business men have spent a week or more in the bush of New Brunswick; in addition a large party of the leading stars in the baseball firmament spent several weeks hunting in the province.

Shooting licenses may be obtained from the wardens of the province at a reasonable figure. Non-residents naturally pay a higher price for licenses than residents of the province.

In addition to being famous for its game, New Brunswick provides the angler with plenty of trout and plenty of salmon. The latest bid which the province has made for the favour of the sportsman is the opening of a portion of that famous salmon river, the Restigouche, to any fisherman who will pay a fair sum for a day's fishing. Heretofore, it has been impossible for anyone to fish on the Restigouche unless he rented fishing water for a term of several years. Nobody could obtain a day's fishing or a week's fishing. Now the province has made it possible for the fisherman in ordinary circumstances to realize his dreams and obtain a week's salmon fishing on the world famous salmon stream.

New Brunswick Supplies Paper to Wall Street Journal

What may be taken as a distinct tribute to the products of New Brunswick is the fact that The Wall Street Journal, the New York Financial paper, is now being printed on paper manufactured in New Brunswick. The newsprint used in that publication is being supplied by the Bathurst Company. The Wall Street Journal demands a very high quality paper.

Representatives of the Bathurst Company in New York were present in the press room of The Wall Street Journal when the first rolls of New Brunswick paper were put on the press, and they reported that the sheet was "100 per cent. plus," that the first rolls used were well wound and that the publishers were very well pleased with the results. The rolls used are 35 inches wide.

SAINT JOHN PORT NEEDS MORE TRADE WITH SHIPPERS

Harbor is Suffering Through Action of Canadians Using U.S. Ports

The city of Saint John first came into existence as a trading post almost 300 years ago. For well over a hundred years it has carried on trade with the world. The present equipment of the port is excellent; it has three grain elevators and one of the largest drydocks in the world. While trade passing through the port has expanded in recent years, yet there is still room—and the need—of further expansion.

Both Saint John and Halifax have suffered by the action of Canadian shippers using U. S. ports. There can be no doubt that if further Canadian exports are shipped through Canadian ports, that the trade once established will define the trade routes more clearly and thus in itself make for an increased flow of traffic through the Atlantic ports, particularly during the winter months when the St. Lawrence channels are closed. Because public opinion is gradually being awakened to the need of using Canadian ports, the city of Saint John can look forward to a satisfactory future. While Saint John is perhaps handicapped a trifle by reason of the very high tides in the Bay of Fundy, yet this handicap is more than offset as the city lies but 481 miles distant from Montreal. Its harbor is deep, sheltered and free from ice and the city itself is the distributing centre for a large district which is rich in natural resources.

Harbor Commission

Following the recommendation of the Duncan Commission, the port is now administered by a harbor commission. The commissioners are Hon. W. E. Foster, chairman, Col. A. MacMillan, D.S.O., and William E. Scully.

The Duncan Commission recommended that the port be truly naturalized; that is, that the commission should have the power to spend money with the idea of developing the harbor and building up trade. It is unfortunate that under the enabling act the intention of the Duncan Commission recommendation was not completely carried out. The commission will be handicapped by lack of funds from carrying out national development policies in the harbor, but nevertheless, the commissioners have settled down in an energetic way to the business-like expansion of the port's activities. Already, important new winter business for the port is assured this year. Given time and a continuance of development work by the board, the port of Saint John will eventually emerge from being merely a winter port and reassume its position of becoming one of the more popular and important year round ports on the Atlantic seaboard.

Tide at Saint John

There is a great misunderstanding regarding size of the tides at Saint John, and in any consideration of the port's facilities, it is well worth while remembering that the tide at Saint John is the same as at Liverpool, England, and actually lower than many other important seaports in the world.

The city is the terminal in the winter time of the Canadian Pacific Steamships. Other lines using the port include the Elder Dempster, New Zealand Shipping Company, Furness Line, Manchester Line, Head Line, Houston Line, Intercontinental Transports, Scandinavian-American Line, Anchor-Donaldson Line, Canadian Government Merchant Marine, Munson Line, and the Eastern Steamship Company. The Cunard Line operates steamships from Cuba and the West Indies through the port. With these lines Saint John has direct connection with practically all the leading ports of the world.

Much has been done for the port by the Canadian Pacific Railway. Elevators and docks have been built and the C. P. R. has been largely responsible for the growing volume of exports passing through the city.

There has long been talk of the Canadian Pacific securing running rights on the C. N. R. to Halifax. Should this take place there is no danger of it affecting the port of Saint John, for obviously the C. P. R. would hardly haul its freight on leased lines for a further distance of 200 miles from the points of origin in Central Canada to ship via Halifax instead of Saint John.

Drydock Facilities

The port has ample ship repair and drydock facilities. The drydock, which is operated by the Saint John Drydock and Shipping Company, has wide investment interest in the Dominion, for at its inception the company floated a $3,826,272, 5½ per cent. bond issue. The bond issue is in the nature of a government bond for the annual revenue from the government subsidy has been hypothecated to the trustees of the bondholders of the drydocks. The annual payments are sufficient to meet all interest and sinking fund requirements and to retire the bond issue by maturity; thus the bonds change hands at high figures.

The Saint John Drydock and Shipbuilding Company provides a shipbuilding repair and salvage service for the shipping interests of the North Atlantic.

In a sense, the drydock is closely related to the development of a port at Courtenay Bay, and the provision at this point of terminal for the Canadian National Railways. The work at Courtenay Bay was undertaken many years ago by the Dominion government and eventually it is intended to enlarge the port's facilities greatly.

The property to be developed is owned by the Canadian National Railways and was originally secured by the Grand Trunk Pacific for terminal purposes. The Courtenay Bay project when completed would provide accommodation for 25 steamers of the type and size which usually call at Saint John.

Incidentally, the drydock at Saint John is the largest in the world. The dock can accommodate the largest vessel afloat. It is divided into two chambers, the inner one 500 feet in length and the outer one 650 feet in length. Thus, Saint John is provided with all the necessary facilities of a really great port, and there is little doubt that the expectation of further expansion in the trade of the port will be fulfilled.

Breeding of Muskrats Proceeds at Corey Lake

A rather interesting recent development in New Brunswick has been the public offering of $20,000 in 8 per cent., cumulative, preferred stock, with a bonus of common shares of the Maritime Muskrat Company. Capitalization consists of $24,000 in preferred and $26,000 in common.

The company was organized to breed and raise muskrats and owns 323 acres of land at Corey Lake. The property contains 250 acres of lake and marsh most adaptable to the raising of muskrats and is enclosed by properly constructed muskrat trench. The policy of the company will be to create a market for breeding stock and to sell as many pairs of breeders each fall as possible. The balance of the yearly output will be pelted the following spring when the pelts are at their best and bring the highest prices. Muskrat fur in its natural color is popular and many different kinds of expensive furs can be imitated. These include Hudson seal.

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Maritime Province Issues a Specialty

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Established 1878
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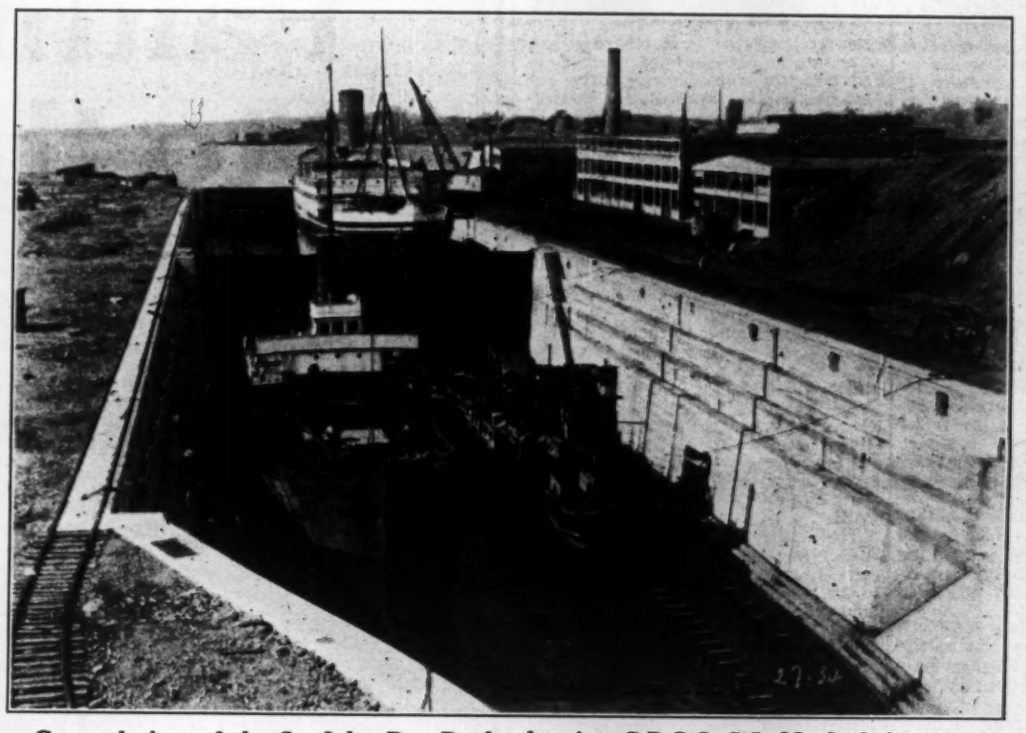
171-173 Hollis St., Halifax, N.S.

ST. JOHN DRYDOCK AND SHIPBUILDING COMPANY LIMITED



General view of the St. John Dry Dock, showing C.P.O.S. S.S. Marloch in outer dock, with repair shops in right background.

SHIPBUILDERS, ENGINEERS BOILERMAKERS

SHIP REPAIRS OF ALL KINDS
TO HULL AND MACHINERY

DRYDOCK
1,150 feet long on blocks; 42 feet draught on sill; can be used as one dock or two separate docks 650 feet and 500 feet each.

MARINE RAILWAY
Also steel construction, capacity up to 2,500 tons dead weight. Length 250 ft. Draft 10 ft. forward.

FLOATING REPAIR PLANT

TUGS
FOR SEA AND HARBOUR WORK

Powerful salvage tug equipped with up-to-date pumps and salvage plant.

Full Salvage Equipment—Tugs, Pumps, Air Compressors, Derrick Scows

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Legislation is Assisting Farmers in Nova Scotia to Increase Production

Endeavor is Made to Make Province Agriculturally Independent—Director of Marketing Appointed to Keep in Touch with Foreign and Local Markets

Nova Scotia is taking definite steps towards increasing her own prosperity and is not relying on paternalistic legislation to assist the province to improve existing conditions. Like New Brunswick, the province has long been an importer from other provinces of agricultural produce to meet its own domestic needs.

Nova Scotia is an excellent agricultural province and the factors which brought about such a situation are apparent. They include the depressed state of agricultural markets the world over, and the profits which used to be obtained by confining agricultural efforts to a few lines only.

Agriculturally Independent

Much has been said and a great deal has been written about making Nova Scotia agriculturally independent. The principle that Nova Scotia farmers "should" produce what is consumed has been iterated and reiterated. But it has remained for the Hon. J. A. Walker, minister of Natural Resources, to take definite and concrete action to bring about a practical application of this undoubtedly sound principle. His department has inaugurated a campaign to increase agricultural production in Nova Scotia, and the results which have already been obtained, point to the certain conclusion that with a further logical development, within a short period of years, the province will be made practically independent insofar as agricultural needs are concerned.

The true significance of the term "agricultural independence" is probably not sufficiently appreciated by a large number of Nova Scotians. Year after year the province has continued to import over $12,000,000 worth of food stuffs, the vast proportion of which, consisting of such products as canned fruits and vegetables, butter, eggs and meats could have been produced by N. S. farmers. At the same time the producers complained of restricted markets for their products. Obviously, there was something drastically wrong with the agricultural industry in Nova Scotia, and in order to remedy this most serious condition Premier Rhodes, when he took over the reins of government, formed the new Department of Natural Resources.

Increased Production

Hon. J. A. Walker, head of that department declares that the chief object of his department is to make Nova Scotia agriculturally independent, and that a strong campaign has already been inaugurated with splendid results. This campaign, as a result of which it is calculated to obtain results so important as effecting the prosperity of Nova Scotia, is directed through two channels—first, increased production, and second, improved marketing arrangements.

A Director of Marketing for Nova Scotia has been appointed and he not only keeps in touch with foreign markets, but with local markets as well. His advice is available for all who may wish to take advantage of it.

The efforts of the department to assist in bringing about increased production are diversified and differ according to the particular branch of the industry which is being developed. Broadly, the campaign includes development work in the dairying industry, the fruit and vegetable canning industry, the live stock industry with special attention to the raising of sheep, hogs, pure bred and beef cattle, and the poultry industry, etc. The farmers of the province have enthusiastically accepted the lead which his department is giving, and results are already abundantly apparent. Sixty cars of hogs are being shipped where previously four were shipped; egg production has been increased by thousands of dozens; butter production has been greatly increased, while fruits and vegetables are being canned and are supplying the home markets where previously foreign products prevailed. The $2,800,000 of eggs, the $1,299,000 worth of butter, the $3,000,000 worth of meats which have been imported in the past are now, or soon will, be produced by Nova Scotian farmers, who will supply their own markets with their own products. This is what "agricultural independence" means and these are the results of the campaign which is being carried on by the Department of Natural Resources.

Apart from the increased production, the outstanding feature of the development of Nova Scotia's agricultural industry is the growth in farmers' organization. Scores of "egg circles," breeders' associations, swine clubs, seed clubs, feeding clubs, etc., have been established, and these are playing a very real and a very important part in the increased development which is apparent on every side.

Helpful Demonstrations

The government sends agricultural representatives throughout the province, who undertake helpful demonstrations. The nature of these demonstrations varies with the district. Through the representative system plots are treated with different fertilizers and the result of the experiments are brought home to the farmers of the community. Not only are demonstrations being conducted with fertilizer plots, but with pure seed, spraying of potatoes, spraying of orchards, etc. Every representative has to study his district and is looking for the best farmers, those who have made the best success of their business. He endeavors to find out the reason for their success, and once determined, if they are methods that should be followed, he is then in a position to further their adoption by other farmers in the district.

Food Stuffs Imported

Nova Scotia as a province is not self-sustaining, many products, such as canned peas, beans, butter and eggs which are being imported could be produced at home. The agricultural representatives are concentrating on this problem and are co-operating with the farmers in an endeavor to determine what can be done to produce within Nova Scotia agricultural products which are now being imported. A concrete example of the results which have been already obtained is that in connection with canning of vegetables. The Pictou representative is co-operating with Logan and Roberts, of Bayview, who have a lobster factory at that point, and has arranged to have installed such extra machinery as is necessary for the canning of peas and beans. Already more than 1,400 cases of peas have been packed.

Strong efforts are also being directed toward the development of the production of certified seed. This entails the selection of the right varieties of seed and the supervision of conditions under which the seed is developed. In this instance the agricultural representatives are rendering splendid service.

"A Tuberculosis free Province" is the aim of the campaign now being conducted. Nova Scotia is making rapid progress as a dairy province and the elimination from herds of tuberculosis animals, it is declared, will be a most important step. The agricultural representatives have been very active in furthering this campaign and the eastern part of the province through their efforts can now be declared an area for testing, and this will be done very shortly.

The improvement of herds and flocks is one of the main objects of the agricultural representatives. This is a project which is being constantly furthered.

Assist with Marketing

Apart from the efforts which the agricultural representatives are making toward increased production and raising the standard of stocks, they are also rendering real service through the assistance they give farmers in obtaining better markets for their products. Live stock associations are being organized at points where there are car-lot shipments of lambs, hogs or cattle. Thus the farmers are not only being encouraged to produce, but they are being placed on an equal footing in the markets of the world.

The agricultural representatives have been instrumental in the organization of over forty egg circles within the province as well as the encouragement of fairs and other rural organizations previously mentioned. For instance, the Cumberland County representative is this year holding nine school fairs. The counties in Cape Breton are holding nineteen school fairs. The growing and exhibition of exhibits is under the direction of the school teacher and the agricultural representative is available for assistance at any time.

Competent Organization

The agricultural representative in each district can only meet a limited number of farmers but through competent organization work, the services can be extended to cover practically every portion of each district. It has been said that if there is anything that rural America needs to-day it is leaders. If there is anything which rural Nova Scotia needs it is leaders. Leaders who have the good of their community at heart, leaders who are not only progressive, but who have the ability to lead and who have good judgment and stability of purpose and insight. There is no better way to further the bringing out of such leaders than through effective agricultural representative work, backed by the farming communities working together for better farms, better homes, better living conditions and more production.

The Department of Natural Resources is establishing the agricultural representatives' system has rendered a great and lasting service to the farmers of Nova Scotia.

Shipping Associations

The marketing of butter, hogs, lambs, and eggs in Nova Scotia, which only a few years ago was in a very unsatisfactory situation, has now been placed on a sound basis. Farmers, by taking advantage of creameries, which are now accessible to at least ninety per cent. of the producing population, by forming live stock shipping associations and egg circles, can obtain the best wholesale market prices for all these commodities. The prices obtainable through these collective selling agencies, may not always be as high as local prices, but farmers can sell through them these classes of produce at as high a price as, and on the whole a little higher than farmers in any part of the Dominion of Canada, and they can sell all they have to offer.

This marketing development marks a degree of progress over the former unsystematic method, which is not yet fully appreciated by many producers who had become greatly discouraged by the fact that they could not heretofore sell all of these products they had to offer.

In general, the same development has taken place in respect to apples, the United Fruit Companies for example, offering the means of obtaining the best going prices as established on the British and local markets. True, much remains to be done in respect to grading and packing, but that is a matter for the producer rather than for the market itself.

The biggest complaint which the Nova Scotia farmer has in respect to markets is lack of outlet for beef and for such field produce as hay, potatoes, turnips and vegetables. It is to these that the recently organized Markets Division of the Department is in the meantime directing its attention.

The beef situation offers the most difficult problem. The fundamental reason for this is the fact that such countries as the Argentine Republic ship beef to the British Market at a price which the beef producers in the western provinces of Canada find it difficult to compete with. On this account a large quantity of beef which would ordinarily be shipped from Ontario, and the West, to Great Britain, is shipped to the Maritime provinces at such low prices that the Nova Scotia farmer finds it difficult to meet the competition. At the present time, only those farmers who have extra good grazing or have grown grain and roots or both, are able to produce meat at a reasonable profit, and it looks as if the only solution to the beef selling problem centres around the improvement of pastures, together, of course, with the production of more home grown feed.

The market for hay has been so substantially reduced following the introduction of motor vehicles, that a new situation has arisen which the Nova Scotia farmer has not yet been able to cope with. In former days when the demand for hay was large, the market would absorb all kinds of hay, but the present limited market is becoming very insistent in respect to the quality of the hay. Nova Scotia hay has never been sold on a graded basis, and for this reason an increasing number of buyers, especially in the Sydneys and Halifax, are purchasing graded hay from the Province of Quebec. Briefly, the situation can only be met by the farmers plowing their fields more frequently and so having more new seeded hay to offer, following which a system of grading can be established, and their hold on the local market maintained.

Demand for Hay

Even at that, it must be recognized that the demand for hay will probably never be as large as formerly, and therefore farmers must look either to feeding more hay or, if they are bound to sell cash crops, produce some other crop instead of hay.

As to potatoes, turnips and vegetables, no point has been more clearly brought out in the preliminary investigations which have been made by the Markets Division than the fact that the Nova Scotia farmer can materially better his position on the local market if he would grade his produce and put it up in the kind of packets the market demands.

Having regard to the lesser freight rates from Nova Scotia points to such consuming markets as Sydney and Halifax, it is certain that the Nova Scotia producer can make a better place for himself on these markets by studying these details and making an effort to meet them.

Christie Baggage

The Christie Standard of dependability is typical of every style and type of Christie Baggage. Two Bags are offered in the same shop, alike as two peas to all outward appearance, yet one is marked $16.00, the other $60.00. One is built for "Sale," the other for "Service." A service that will last a lifetime. Unseen quality.

Christie Trunk & Bag Co.
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AMHERST - - NOVA SCOTIA

Faithful in Service to the Maritimes

CONFIDENCE and Protection,—these form the foundation of trust company service. For years the Eastern Trust Company has been the faithful ally of business, enjoying the confidence of all classes of the community. It has been the protector of homes and estates, and the alert builder of prosperity for a wide territory, covering Eastern Canada and Newfoundland.

The Company is the oldest Trust Company in Eastern Canada and was incorporated in 1893. The total value of estates, trusts and other funds under its administration now exceeds Thirty-eight Million Dollars, over half of which has accumulated during the past decade. Its directors are men of recognized standing in the commercial, professional and financial life of Canada and Newfoundland.

It has grown as Eastern Canada and Newfoundland have grown in wealth and stability. It has grown through its ability to give service;—service such as it offers to you, such as is outlined below.

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—charges no more than the private executor;
—keeps all papers and documents in safety deposit vaults;
—furnishes statements to beneficiaries at regular intervals;
—is staffed with officers of wide experience in the management of estates and trusts;
—has its books regularly audited by qualified and independent accountants, and is under Government supervision.

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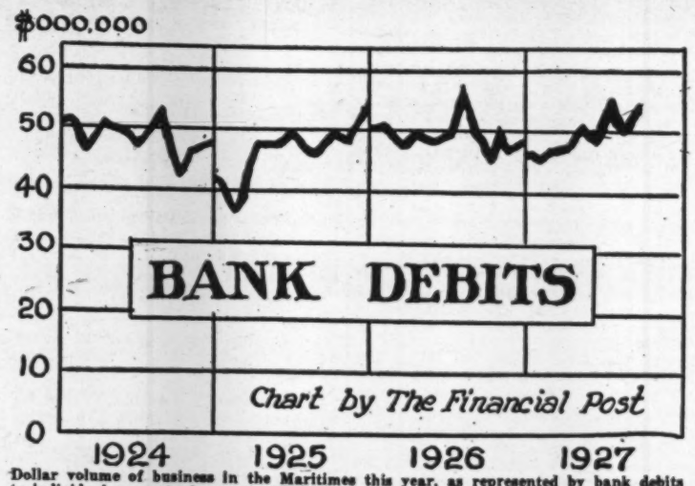
TIDAL PHENOMENA OF BAY OF FUNDY DRAWS TOURISTS

Waters Stocked with Salmon, Cod, Mackerel, Shad, and "Digby Chickens"

In all the world there are few more interesting and valuable bodies of tidal water than the Bay of Fundy. It is what may be called a general-purpose bay. It is not as a place of navigation merely that it makes its chief appeal to the imagination; because there are times when it is not there when wanted; and "it is wonderful," as some one once observed of one of its branches, "how water improves a harbor." The Bay of Fundy is not only navigable, but it has many large harbors, and penetrating as it does far into the interior of Nova Scotia and New Brunswick, is of great value as a transportation medium. It is well stocked with fish and the source of great wealth from the salmon, cod, mackerel, shad, and other varieties (saying nothing of sardines and "Digby Chickens") which its waters yield. But when, in addition to these not unusual functions, it is realized that it automatically fertilizes enormous stretches of immensely productive lands, and performs "stunts" with its tides which draw travelers from great distances merely to gaze at it in admiration, we realize how commonplace an ordinary ocean tide, which just arrives in approximately the same manner and without undue excitement day after day, can be. For reasons which will be related, Fundy may well be called a general-purpose bay.

A glance at the map will show that this broad arm of the North Alantic separates, excepting for a low isthmus only 11½ miles across, the peninsula of Nova Scotia from the rest of Canada. The bay is about 180 miles in length. The broad front on which it comes in between the shore of Nova Scotia and the Maine coast, narrows progressively as it goes inland. Opposite Saint John Harbor it is 45 miles wide, and continues at about that width until it forks into two great bays—Minas Basin and Chignecto Bay, the latter of which is again subdivided into Shepody Bay and Cumberland Basin, forcing the water inland, as through a funnel and causing tide phenomena similar to that in the Yangtse Kiang in China and unique in the Western Ocean.



Dollar volume of business in the Maritimes this year, as represented by bank debits to individual accounts, is practically the same as in 1926. For the first nine months of the current year debits total $452,900,000, as compared with $456,900,000 in the same period last year.

Highest Tides

The tides are among the highest in the world, rising over 50 feet and running at the rate of 6 or 7 miles per hour. At Moncton and some other points they are preceded by a solid wall of water which rolls in suddenly, and the roar of which can be heard at a considerable distance. As if by magic the broad red mud-flats suddenly become navigable. Vessels careened over on their sides, or shored high up in the air as though out of their native element altogether, are automatically righted and ride the waters again. The flats which might be walked across a few minutes before are now covered deep with the swirling water. The lush green fields and marshes are brimmed again, the rivers fill up, and for twelve hours the Bay of Fundy carries on as though it were a normal body of water.

This phenomenon takes place over many miles of coast line extending up Chignecto Bay, Minas Basin on both the Nova Scotia and the New Brunswick coasts, and running fifty miles inland. On the River Avon the tide rises 38 feet. Wherever these tides operate, the land is dyked and forms meadows of wonderful fertility, never requiring manuring and having been cropped for nearly two hundred years. At long intervals the dykes, many of which were constructed by the Acadians when they first settled here, are opened to the fertilizing tides.

burne and scores of other places in the Maritime Provinces still offer excellent opportunities for buying treasures of by-gone generations at prices which are exceedingly modest in comparison with those demanded in the United States.

The native Indians, who were here when the white men came, were Micmacs, Malicetes and Abenakis tribes of the great Algonquin family which extends from the Atlantic to the Rocky Mountains. Contrary to common belief the Indian population is not decreasing.

The history of the three Maritime Provinces is inextricably interwoven. The fact that it was here that one of the first settlements on the North American continent began, and that for the next two centuries it was the main theatre of the great duel between France and England for possession and colonization of the country, makes their annals intensely interesting. This struggle continued for 200 years with varying fortunes on land and sea, until the die was finally cast when the battle of 1759 for the possession of Quebec, one of the decisive battles of the world, was fought on the Plains of Abraham and Canada became and remained British.

Hardy Norsemen

Long before the coming of the French, as early as 1000 A.D., the hardy Norsemen visited Nova Scotia. Near Yarmouth a large boulder was found some years ago. It is still carefully preserved. It bears a Runic inscription which has been translated by Henry Phillips, an antiquarian of Philadelphia, as meaning "Harko's son addressed the men." In a communication to the American Philosophical Society in 1884 he connected it with the voyage of Thorfinn, 1007 A.D. Cabot made his "landfall" in Nova Scotia in 1498. French, Portuguese, and Spaniards visited the country more or less frequently on fishing voyages during the next 50 years. But it was not until early in the 17th century that both France and England turned their attention to it seriously. In 1603 Henry IV of France gave a commission to De Monts as governor of the country from Philadelphia to Newfoundland. James I of England followed suit by granting a charter to some of his favorites covering territory largely similar; and the fight for the possession of Acadia was on.

De Monts and his party, including Champlain, De Poutrincourt and Pontgrave, sailed along the coast of Acadia and gave names to many bays and harbors which they still bear. They made their first permanent settlement at what is now Annapolis, which they called Port Royal. It was the first permanent settlement of Europeans north of St. Augustine, Florida.

To Colonize Acadia

Sir William Alexander and other Englishmen from both England and the plantations in Virginia and New England made half-hearted attempts at settlement; but it was not until 1749 that the English resolved to colonize Acadia. They sent out a large expedition which founded Halifax as the headquarters from which it was hoped to spread out settlement over other parts of the territory.

They encountered constant difficulties. By successive treaties between France and England, the terrain of Acadia had changed ownership so often that it was little wonder that neither the French colonists nor the Indians could tell exactly to what power they were supposed to owe allegiance; but whatever king might reign, both the natives and the Acadians were united in their preference for French rather than English rule. When called upon by the governor of Halifax, Lord Cornwallis, to take the oath of allegiance to the English crown the Acadians refused, declaring with amusing candor, in an address presented to the new governor, that the general sentiments of the inhabitants was that "the desire of the English to live among them gave them very great pain."

A few years later, in 1755, the tragic expulsion of the Acadians took place. Mainly owing to Longfellow's poem "Evangeline," there are few events in the history of any country of which there is a wider general knowledge, or which has provoked so much sympathy and incited so much romance.

United Empire Loyalists

The second large influx of English settlers was from what is now the United States—the United Empire Loyalists, of whom detailed reference will be found elsewhere. The English settlement in the province of New Brunswick was almost entirely composed of Loyalists. The French population in that province was mainly made up of Acadians who found their way there after the expulsion.

Prince Edward Island was apparently first discovered by Jacques Cartier in 1534, although attempts have been made to identify it with the land described by Cabot, Verranzo and others of the earlier explorers. The first attempt at settlement was made by Sieur Doublet, a French naval officer, in 1663. Acadians from the mainland established themselves there from time to time, and the French had a garrison at Port Lajoie (Charlottetown) early in the 18th century. After the expulsion in 1755, Acadians found their way there in considerable numbers; but the first colonization of this island was more after the fashion in which England itself was settled after the Norman conquest—as a reward for military service. In 1767 the whole island was disposed of in one day by drawing lots, the successful grantees agreeing to place a stated number of settlers on the land and to this day the country is divided up into sections known as lots, each lot being assigned a number. Both proprietors and settlers were practically all of English origin.

For some years thereafter the fortunes of the island were not happy. Attempts at settlement were not energetic, the curse of absentee landlordism being felt.

Prohibition in P.E.I.

In 1803, however, Earl Selkirk brought 800 people from Scotland. By 1825 the population was 22,000 and it is interesting to note as a commentary on the habits of a century ago that in that year there were imported into the island 61,000 gallons of liquor. Prince Edward Island was the first part of Canada to adopt prohibition.

There is no other part of Canada where the customs and even the language of the somewhat diverse racial elements from which the population derived, have been preserved with so little change as they have in the Maritime Provinces. Lunenburg, for example, was settled mainly by Dutch and Germans; it has retained not only the ways and characteristics of the fatherland, but the origin of the people is still plainly evident in their speech. The eastern counties of Nova Scotia and the island of Cape Breton were mainly peopled by Highland Scotch. To this day Cape Breton is more Scotch and there is more Gaelic spoken there than in the Highlands of Scotland. All over the Maritime Provinces are settlements where French is the language of the people.

Settlers from Europe Still Maintain Customs in Maritime Provinces

French Retain Language, Customs, and Household Goods of 18th Century

INDIANS INCREASING

More Gaelic is Spoken in Cape Breton Than in Highlands of Scotland — Lunenburg is Mostly Dutch and German

There has been comparatively little immigration to the Maritime Provinces since the early years of settlement. Over ninety per cent. of the people are Canadian-born, descendants of the movements of people en masse to North America which took place at different times during the early part of the 17th and 18th centuries. The French came first; and their descendants still retain the language, customs, and in many cases, the household goods they brought with them. The English followed, founded Halifax in 1749, and scattered to various parts of the central portion of the province. Not long after, came about 2,000 German settlers. At the close of the American Revolutionary War a great body of 30,000 or more, known as United Empire Loyalists, colonized a large portion of Nova Scotia and New Brunswick; but for 25 years before that time there had been considerable immigration from Massachusetts, Connecticut, Rhode Island, and other of the New England States.

The eastern part of Nova Scotia was settled by people from the United States, principally Highland Scotch who came before and after the Revolution, and by several parties who came direct from Scotland. The earliest colonization, in 1767, was from Philadelphia, one of those interested in promoting the same having been the great Benjamin Franklin. Many of the people of Pictou, Antigonish and the Island of Cape Breton are almost as Scottish in their characteristics as were their forefathers when they arrived a century and a half ago. The Gaelic language is still commonly spoken among the older people, and in Cape Breton there is published the only Gaelic paper in America.

Antique Collectors

Certain portions of the Maritime Provinces, notably those parts where the United Empire Loyalists settled, have long been a happy hunting ground for the collector of antiques. The Tories, as they were called across the line, for the most part came from the more wealthy and aristocratic families; and many of them brought with them the most valuable of their household goods in the shape of plate and furniture. For 150 years, also, naval and military establishments were maintained here. There was a constant succession of old country families coming and going, bringing with them, and eventually disposing of their belongings. Halifax, St. John, Yarmouth, Sydney, Annapolis, Shel-

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Attention is Drawn to Big Mineral Deposits Around New Brunswick

Among Metallics in Province Are Copper, Lead, Zinc, Antimony, Tungsten, Iron and Molybdenite — Coal is Found in Thin Seams, Also Gypsum

There is more than a minor revival of interest in the large mineral deposits of New Brunswick. The fact that forestry, with the single exception of agriculture, is the largest industry of the province coupled with the new surface evidences of geological disturbance are perhaps two factors which have held back mineral development.

Also, until quite recently the New Brunswick mining laws differed in principle very materially from the laws prevailing in the provinces of Quebec, Ontario and British Columbia where the prospector had a great deal of freedom of action in seeking opportunities to mine and where once he had located what he believed worth developing he was assured of an immediate recognition of his claim. The New Brunswick Legislature during its last session recognizing the desirability of bringing the mining law into closer conformity with that to which the prospector was accustomed, repealed the old act and passed a new one embodying such desirable features of other provincial laws as were adaptable to New Brunswick. It must not be thought however that the province was altogether without its prospectors and miners. From time to time discoveries were made, some by geologists, some by those with little technical knoweldge. Among the metallics which in this way have been found are copper, lead, zinc, antimony, tungsten, iron and molybdenite. Among the non-metallics are coal, gypsum, tripolite, marl, oil and natural gas, the two last being regarded in New Brunswick as minerals. Of the foregoing minerals coal found in thin seams in the middle carboniferous of the Grand Lake region in the centre of the province, has been successfully mined for many years. This coal is found in one seam or in two separated by a thin band of shale. It is worked at a maximum depth of about 80 feet, often at 30 or 40 feet and sometimes near enough to the surface to be won by the stripping process. It is used largely for locomotive and industrial purposes.

Good Quality Gypsum

Gypsum of good quality has for a long period been produced near Hillsborough in the southeastern part of the province, and there manufactured into hard wall plaster and plaster of paris; a good market for the output prevails in the Dominion and abroad. This is not the only place in the province where gypsum is found, but it is the only place where it is worked. As might be expected, salt is also known to exist in the near vicinity. It is also not far from here that the gas and oil wells of New Brunswick are located. These wells have been supplying gas to the city of Moncton for years and have been producing a particularly fine grade of lubricating oil, but not as yet in large quantity. None of the other minerals cited are worked, and whether they occur in economic quantity is a question which must be decided by private enterprise. Without any desire to draw an unfair analogy, it may be pointed out that the phenomenal development of Ontario's mineral wealth has all occurred within the memory of men still young. These valuable metallic ores coming from pre-Cambrian rocks are being looked for in similar formations in Quebec. East of this, again in the province of New Brunswick, are to be found rocks of pre-Cambrian age, not, it is true, to the widespread extent to which this formation occurs in Ontario and Quebec, but still sufficient to offer a broad field for prospecting. The situation possibly may be summed up in this way: New Brunswick is known to possess a fair range of economic minerals. Her geological situation is such that these may be found in workable quantity and her laws have been made with two features clearly in view; first, all reasonable liberty to the prospector and, second, security of tenure once the prospector has located what he proposes to develop.

Antimony Mines

The development of the province's antimony mines is already under way by a group of interests associated with General Charles A. Smart, of Montreal. The properties owned by this group are situated near Lake George, N. B., and the initial shipments of supplies have already been received at the property, which was worked along old-fashioned lines many years ago. By 1928 it is thought that one hundred men will be employed on this project.

This new development of the Lake George antimony mines is said to be the first definite evidence of extensive mineral and chemical operation about to be undertaken in New Brunswick, and in which Nova Scotia may also share to a considerable extent, the whole programme running up into expenditures that will reach $10,000,000, or more, and will involve the setting up of an immense chemical manufacturing plant by the corporation at the site of one of the extensive salt deposits which exist both in New Brunswick, near Hillsborough, and in Nova Scotia, near Malagash.

Brigadier General Charles A. Smart, C. M. G., of Westmount, who is identified with other mineral development projects in Canada, and who is vice-president of the Maritime Fish Corporation, and connected with many other industrial enterprises, heads the syndicate which is entering upon this extensive mineral and chemical project that commences with the taking over of the leases for the Lake George antimony mines. These leases are being assigned by the North American Antimony Company, which obtained them from the original holders, the Canadian Antimony Company, to General Smart and his associates, who have agreed to undertake to prove and develop the property. They have also satisfied the Department of Lands and Mines of their ability to carry on the development, with the result that extension of existing leases that have been acquired is thus insured.

Lake George Mines

Already Brigadier-General Smart and his associates have found a market for the complete production of the Lake George mines, if they should desire to dispose of the raw ore. While this will not be done, the opportunity for sale of the output makes possible the immediate opening up of operations at Lake George by the company which will carry on there and will eventually be a subsidiary of the chemical corporation which will erect the large plant to carry on the manufacture of salt, as well as chlorine, caustic soda and other chemicals in connection with which antimony and its by-products are used. It is the intention to instal a concentrating plant at Lake George. The air flotation process will be used and the concentrates will be bagged and shipped to the chemical factory, and the hand-cobbed ore will continue to be shipped to the several concerns in the United States, which are already willing to place orders for larger quantities of antimony ore than will probably ever be turned out at Lake George.

In addition to the development taking place at Lake George, some of the larger mining interests of both Central Canada and the United States are now definitely interested in some of New Brunswick's metallic mineral areas. Some of the larger companies are carrying out prospecting at the present time; the Hollinger interests are understood to be looking into the merits of holdings which contain large tungsten deposits.

Some of the chief features of the new New Brunswick Mining Act follow:

A prospecting license is necessary before beginning search for minerals. This license is issued at a cost of $10 to any person over 18 years of age. It is effective throughout the whole province and applies to all lands whether they be crown lands or lands privately owned, with only one or two exceptions.

The prospecting license is good until the end of the calendar year and gives its holder the right to stake off as many as ten 40-acre claims if he so desires. These claims are square, and one-quarter of a mile on the side.

It is necessary that every claim staked out shall within 30 days be registered at the office of the mining recorder in Fredericton. There is a fee of $1 for every claim so recorded.

In order that mining rights on a claim may be continued beyond the last day of December in the current year, it is required that 25 days' labor shall have been performed on it. If there are more claims than one, and they are contiguous, the work of all of them may be performed on one or more. Should the work consist of boring, then one foot of boring will be the equivalent of two days' work. There are three exceptions, however, in regard to this required labor during that period of time, so that, should the date of recording be later than October 31, or should the work be only partly performed, or if for good cause shown the prospector could not perform any of it, then on payment of $1 per claim the right to the same may be extended throughout the next calendar year.

Mining Licenses

At any time after the full amount of work has been performed on the claim, or group of claims, the holder may apply for a mining license. This license will cost $10 for each 40-acre claim. It will be good for the year in which it is taken out and for all of the next calendar year. After that it may be renewed from year to year at a cost of $10 per claim, upon proof that 25 days' work has been performed for each 40 acres during the preceding period. Should there be failure on the part of the mining license-holder to have had all the necessary work performed during any one year, the license may nevertheless in the discretion of the minister be renewed on payment of the renewal fee of $10, if after a report by the inspector of mines he is satisfied there was sufficient reason for the non-performance of the work.

The holder of a mining license who has complied with the requirements of his license and who has under it opened up and for at least six months worked a mine may apply for and receive a lease good for a period of twenty years and renewable up to eighty years. The rental is $10 a year for each forty acres. The lease will be for certain specified mineral or minerals.

Royalties have been set as follows: Coal and oil shale as fixed by the Lieutenant-Governor-in-Council, but not to exceed 15 cents a long ton; oil and gas five per cent. of the value at the well's mouth; there is no royalty on limestone or gypsum.

The provincial government is assisting prospectors in every possible manner. Diamond drills will be loaned and are being loaned by the government to those who are carrying out genuine prospecting efforts.

Better Days Expected by Nova Scotians

Business men in Nova Scotia are optimistic regarding the future and look for better days. There are still sections of the province which, of course, have not yet felt the general betterment in business conditions, but all economic and financial information points the one way, namely to the fact that business generally throughout the province has improved its position very materially over the past year.

In the five year period, which ended at the end of 1926, it was generally felt that Nova Scotia passed through particularly hard times, but nevertheless, in this five year period the amount of savings in the Nova Scotia banks and trust companies increased by no less than $15,000,000. Bank clearings in the City of Halifax during the first nine months of the current year increased by over 8 per cent., as compared with the first nine months of 1924 and the freight tonnage handled through the Port of Halifax showed an increase of over 40 per cent.

Coal production in the province during this year shows an increase of over 15 per cent., and a syndicate has acquired recently coal properties, with the idea of erecting plants which will distill the valuable coal tar product.

While 1927 has witnessed no expansion in the pulp and paper plants in Nova Scotia, yet negotiations are under way leading to the erection of further pulp and paper mills.

Underlying the business activity in Nova Scotia, there is a betterment in the agricultural industry. There has been renewed activity in many important phases of rural life. One spectacular feature of the betterment may be seen in the hog raising activities of the province, which has shown a tremendous increase within the past year or more. Dairying shows a healthy increase in output and butter production for the current year will show a large gain over 1926.

LARGE SUMS PAID FOR FISHING RIGHTS IN NEW BRUNSWICK

Province Secures Salmon Fishing Lease on Restigouche River

When the province of New Brunswick this year secured an annual rental of $75,500 for the salmon fishing leases on the Restigouche River and two of its branches, the Kedgwick and the Metapedia, at the auction sale of angling rights, the whole world sat up and paid attention.

Realization of such a sum had never been dreamed to be possible. Five years before the fishing rights of the same water, together with almost six miles which had been reserved for public fishing, had sold for $16,815, and protests were heard that this year's upset prices would drive the wealthy sportsmen, who had previously enjoyed the Restigouche, out of New Brunswick.

Instead, a powerful combination of American millionaires have been brought into New Brunswick because of its sporting attractions; it is possible also that they may become otherwise interested in the developments of the province. Ontario's huge nickel development owes its origin to a visit paid to that province by some big game hunters who saw an opportunity and grabbed it—with resultant good for those interested and for the people of Ontario as well.

Similarly, something may result in New Brunswick from the inclusion of the Dupont interests in the new list of leases of salmon fishing pools. The Dupont interests paid the highest price of this year's sale, when B. W. Doyle, of Leominster, Mass., paid $12,800 a year rental for the Kedgwick River from its mouth up to the rapids. F. W. Pickard, of Wilmington, Del., in whose name the lease is now held jointly with Mr. Doyle, is vice-president of the Dupont Corporation.

The price obtained for the Restigouche —$75,500—puts a capitalized value of $1,500,000 or more on those waters; and apparently the prices are none too high, for it is now an open secret that one syndicate which paid $11,500 for two stretches of the main Restigouche sold out recently to other interests.

This is a period of interesting evolution in salmon fishing in New Brunswick. An innovation as radical almost as the replacing of the Czaristic dynasty in Russia and the adoption of Communism has been brought about by the proposal to allow regulated public fishing on the Restigouche, where in past years, New York, Boston and Philadelphia millionaires have held undisturbed sway. But there are many who believe that the scheme which has been worked out by Hon. C. D. Richards, Minister of Lands and Mines, will prove efficacious and that the trial will prove a correct test of what may be expected to result from the inauguration of regulated public fishing on the most exclusive waters in the world.

There are many who say that the Miramichi River and the Saint John River can be made equally prolific as revenue and salmon producers, if the same efficient system for protection from poachers can be put into effect on these waters. The New Brunswick Fish and Game Protective Association has been valiantly urging the practicability of such a scheme and gradually the idea is being "sold" until there is now an agitation which is growing stronger and stronger every day. Record spring catches have been made on the Miramichi and Cain's River, one of its most important tributaries, and together with the heavy run of salmon on the Saint John River in the early days of May this year, have sided in convincing doubters as to the supply of fish on these rivers. Now it seems to be generally accepted that all that is necessary is conservation by means of thorough protection to make fishing that will rival the famous Restigouche waters.

Conditions in Maritimes Show Great Improvement

That there are better conditions now prevailing in the Maritimes than those of a year ago is evidenced in the construction activity in and around many of the Maritime cities.

While New Brunswick has not benefited to as great an extent as Nova Scotia in the generally bettered business conditions, yet for the year to date in Moncton, building activity has been thrice as great as it was during the corresponding period of 1926. Last year, construction to the end of September in that city was valued according to the permits at $260,000. This year the total for the first nine months reached the impressive figure of $724,000, an increase of almost 200 per cent.

MONCTON DEVELOPS OIL BEARING SHALE

Company is Erecting Plant at Rosevale, Where Large Deposits Are Uncovered

That the province of New Brunswick is being developed along sound lines, namely, developments based on its natural resources, is seen in the recent work of the Maritime Education Company.

Through the efforts of Matthew Lodge, of Moncton, a strong company is now erecting a plant at Rosevale, where large deposits of rich oil-bearing shale have been uncovered.

The company is now erecting a plant to extract the oil from the shale. The plant under construction is the first of ten units. This unit will at first operate on a more or less experimental basis. If the undertaking meets with the success which is anticipated, nine other units of the same size will be added to the operations.

100 Tons Daily

The first unit of the new plant will be capable of handling 100 tons of shale a day in its retorts.

The deposits of bituminous shales in New Brunswick are very extensive, both in length and depth, and have been proven by core drilling both in Alberta and Westmorland as to quantity and quality.

Among the first investigators of the shale deposits in New Brunswick was Dr. Abraham Gesner, and about the year 1851 he distilled oil from the shales, and lectured throughout the province on this "new lighting fluid." At this time also, the substance known as Albertite was discovered near Hillsborough and a large fissure of the same mined and shipped principally to the Downer Oil Company of Boston. There then was established at Baltimore a shale plant under the supervision of Scotch engineers, and the industry was carried on until the discovery of natural oil in Pennsylvania.

Distillation of Oil

To-day there is a greater interest shown in the distillation of oil and by-products from bituminous shales, and many plants have been established in Colorado and Utah. The United States Government is spending large sums of money investigating the industry. Australia and South Africa are doing likewise. Japan, Poland and Italy are also making considerable strides in the working out of new processes, and in the development of their oil-bearing shales.

Since the early days of 1854-1861, various attempts have been made to commercialize the shales in New Brunswick. Scientists the world over have recognized the value of this great deposit, the outcrop of which extends from Dorchester to Norton, a distance of about 50 miles; and at Taylorville in Westmorland and Rosevale or Baltimore in Albert County, many core drillings have been made proving quantity and quality of shale to a depth of over 1,500 feet.

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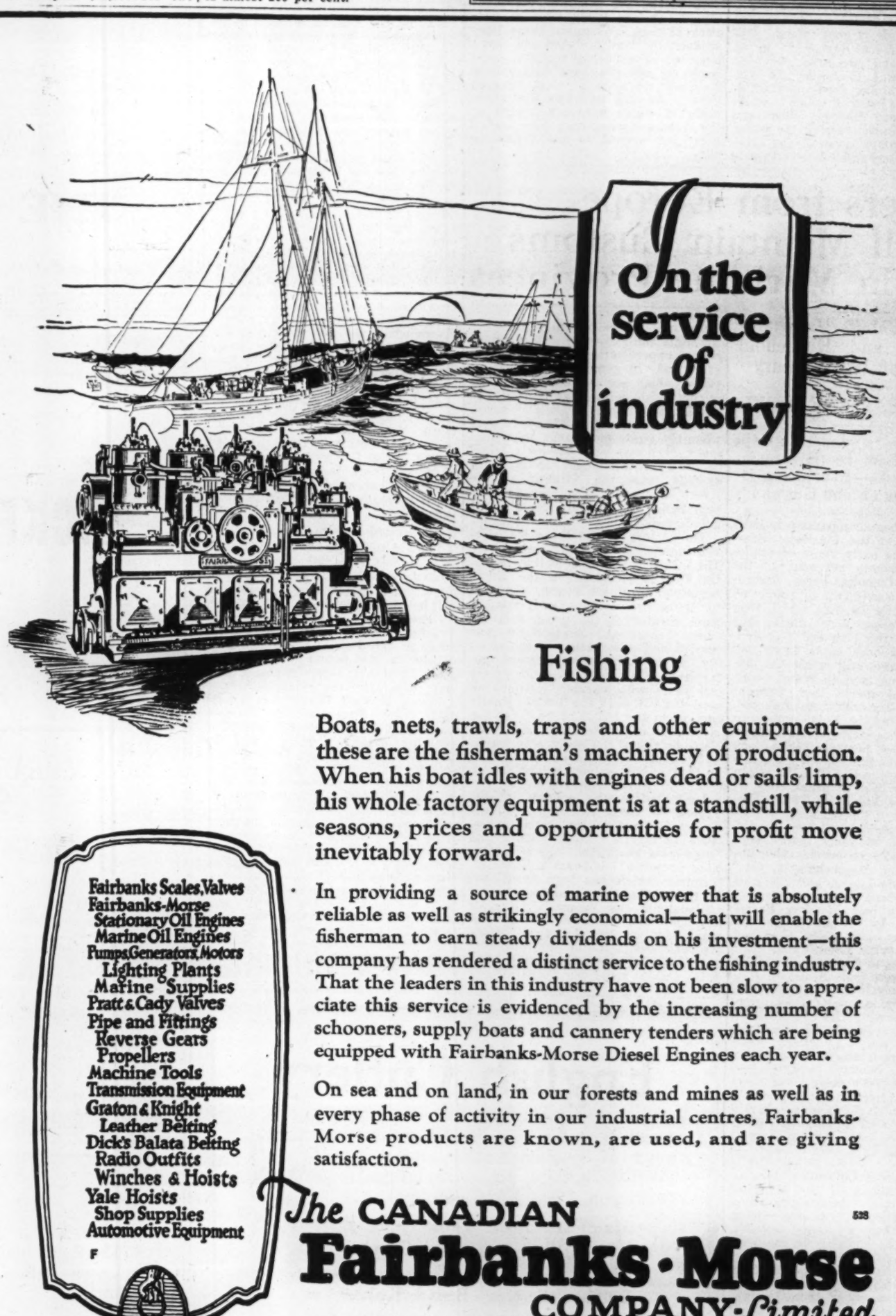

Fishing

Boats, nets, trawls, traps and other equipment—these are the fisherman's machinery of production. When his boat idles with engines dead or sails limp, his whole factory equipment is at a standstill, while seasons, prices and opportunities for profit move inevitably forward.

In providing a source of marine power that is absolutely reliable as well as strikingly economical—that will enable the fisherman to earn steady dividends on his investment—this company has rendered a distinct service to the fishing industry. That the leaders in this industry have not been slow to appreciate this service is evidenced by the increasing number of schooners, supply boats and cannery tenders which are being equipped with Fairbanks-Morse Diesel Engines each year.

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THE MAKERS OF FAIRBANKS SCALES AND VALVES

Alluring Inducements Given to Immigrants by New Brunswickers

Within Next Five Years, Five Hundred Families Will be Placed on Farms Under Scheme Worked Out Between Federal and Provincial Parliaments

The Province of New Brunswick is taking steps leading to further immigration into the province, and to a larger settlement of its farm lands. Within the next five years five hundred families will be placed on farms under a scheme worked out between the federal and provincial parliaments.

The Federal Government will select suitable families and arrange for their transportation to Canada and will make adequate arrangements for their reception and settlement in New Brunswick on their arrival. The Dominion Government will also give expert advice on the management of farms and on all agricultural matters.

Advances to Acquire Stock

The colonizers may obtain advances to acquire stock, equipment, seed and other similar purchases. Thus, provided that the immigrants are suitable they may come to New Brunswick and over a term of twenty-five years own their farms outright. The plan provides for the careful selection of immigrants, such as could conduct farm operations. The payment for the farms will be spread over a period of twenty-five years and will consist of equal payments annually.

Selecting Farms

In the meantime the provincial government is selecting and improving these farms. Purchases are being made on behalf of the incoming immigrants at a price not exceeding $4,000 per farm. Owing to many causes there are a number of vacant farms in the province. The immigrants may come to Canada at as low a passage rate of £2.

The working out of the plan is of particular interest because New Brunswick is the first province to take advantage of the Empire Settlement Act of 1922. The Government of Great Britain, the Government of Canada and the provincial governments are all co-operating in an endeavor to obtain the immigrants of a type suitable for farming in New Brunswick.

All three governments will combine to lend the applicant for farm land in New Brunswick a sufficient sum to assure success, provided that the farming is carried out along sound lines. Commencing March 1 next, the flow of families from Great Britain to New Brunswick will begin. About 100 families, or 500 people, are expected annually within the next five years. Such a development will mean much in the progress of the province. In the meantime the government is exercising the utmost care that only suitable farms are to be provided for the new immigrants. The progress of the plan will be watched with much interest, for first, it is being financed along lines which will give every opportunity to the immigrant; second the immigrant is assured of immediate employment on his arrival; and third, by means of agricultural instruction and other provincial help, every effort will be made to make the plan a success. This is the first time that immigration along such sound lines has been carried on by the government in the Dominion. Of course, the railways have been doing good work along these lines for many years.

Most Accessible

The province of New Brunswick with a population of approximately three hundred and ninety thousand people, is one of the most accessible of the Canadian provinces. Its nearness to Europe makes it particularly attractive to settlers from the British Isles.

For many years, while Canada was in the building, the opening up of the West, together with the construction of our trans-continental railways offered inducements to our own people and to those from overseas, which resulted in New Brunswick failing to bring desirable immigrants and in some measure to retain its own people. This state of affairs is now past and its opportunities and advantages are becoming more and more recognized each year.

With the passing of free lands in Western Canada, New Brunswick occupies an enviable position in as much as in addition to its splendid climate it has farm lands excellent in quality and low in price. These lands are, in many instances, partially developed and in many cases desirable vacant farms can be had at a minimum of cost. During the last few years many British immigrants have come to the province and the number from Scandinavian countries is increasing yearly. There are in the province to-day many prosperous and contented settlers both from Great Britain and Northern Europe.

At the present time, New Brunswick is not raising sufficient agricultural products to supply its own needs. Among the items being imported in comparatively large quantities are those of eggs, cheese, butter, oatmeal, flour, meats and poultry.

Farmers' Producers

Immigration and agriculture go hand in hand and there are in the province organizations through which the farmer is enabled to dispose of his product to the best possible advantage. There is an organization to take care of the disposal of his live stock, and another to look after his wool. Creameries, together with butter and cheese factories, are operated on a co-operative basis and through the New Brunswick Cheese and Butter Board the products of these plants are disposed of wholly in the interest of the producer.

New Brunswick offers every inducement to the practical agriculturalist desiring to engage in mixed farming, and with its splendid and healthful climate is an ideal objective for the prospective emigrant.

New Brunswick wants the agriculturalist and is willing to help those who require assistance. New Brunswick wants, however, men of substance who can join in the forward movement that is now taking place to bring New Brunswick into that position which it is so well fitted to occupy as one of the leading agricultural provinces in all Canada.

Nova Scotia Gold Mines Re-Start Development

Many Operators Are in Field Expanding Their Properties Along Only Soundest and Most Modern Lines

Twenty-five years ago there were some 75 gold mines operating in Nova Scotia, most of them paying good dividends and employing many men. Due to several factors the gold production of Nova Scotia has fallen off. But there has been a marked revival during the past year and there is now every indication that the gold output of the province will show an annual increase in the future.

There are several reasons for the decline in the production of gold. First and foremost the decline is due to the inefficient methods pursued when the Nova Scotian gold mining industry was in its prime. Then again, the gold mining laws were not designed to meet the requirements of the operators or the type of gold bearing rocks found in Nova Scotia. Also, costs have risen enormously since the beginning of the present century. The price of gold, of course, cannot change, but the $20 which the gold miners receive for each ounce of the metal can buy much less equipment and pay the wages of fewer men. All these factors account for the declining gold production of the province during the first twenty-five years of this country.

Situation is Changed

But the situation has changed. Now, there are many operators in the field, developing their properties along only the soundest and most modern lines. Moreover, many of the operations are being carried out by some of the largest mining interests on the continent. And while costs are still high, yet the best geological opinions available on Nova Scotia gold deposits, believe that there is no doubt but that the gold bearing rocks can be mined with a satisfactory profit.

Under the leadership of Hon. G. S. Harrington, Minister of Mines and Public Works, the precious metal and base metal mining industry in Nova Scotia has experienced a sharp revival.

The tobanite oil shale deposits, made famous some years ago for their gold deposits, are now being re-opened and large mining companies have secured claims.

The Mond Nickel Company has acquired a promising silver lead property near Sydney. The Consolidated Mining and Smelting Company has also entered the Nova Scotian field and has acquired an area of 15 square miles for intensive prospecting.

One of the most interesting base metal developments in the province is that of British Metals Corporation. This large organization acquired from the American Cyanide Company the Smithfield silver-lead deposits, twenty miles from Truro, and the Stirling zinc property in Richmond county, Cape Breton Island.

New Power Plant

At the Sterling property, the British Metals Corporation has installed a large new power plant. The ore at the Stirling mine occurs in zones with a width as great as 90 feet, and runs from 10 per cent. to 30 per cent. zinc, with small additional values in gold, silver and copper.

Other large interests are also working in the Nova Scotia mineral fields. It is understood that interests closely associated with the Hollinger Mines have options on properties, and it is reported that the Harvie Smith interests also hold a large acreage in the province.

This year, the mining laws were changed to encourage new development. The new law has been inspired by a desire to give those who are willing to explore the mineral wealth of the province fair treatment and the best possible run for their money. Gratifying results have attended these changes, and the laws are now similar to those in force in Ontario and Quebec.

Formerly, the old mining laws allowed an indefinite tenure of mineral rights, without any work being done, and the tendency to ask exorbitant figures from anyone willing to extend money in testing these mineral areas, led to a stagnation in an industry which formerly brought much wealth to the province. Active gold mining development is going on at Oldham, Malaga, Kentville, Brookfield, Moose River, Goldenville and many other of the leading gold mining areas.

That there is indeed a renewed interest and confidence in the mining industry in Nova Scotia, is borne out in the large number of mining and engineering experts of world fame who have visited the province during the past few months.

Old Method Eliminated

Real development, not merely prospecting, is going on in practically all the gold mining areas. Underground work is being carried out with a view to blocking out ore to enable milling operations to be carried out on a larger scale. The old policies of erecting small mills and having no ore in sight has been eliminated.

Prominent also among the corporations inspecting mineral areas in Nova Scotia are the Gulf Refining Company, the Eastern Gulf Company, the Doherty Company.

At the present time there are thirteen companies carrying out real development work underground, with many more companies carrying out developments both underground and on the surface on not so extensive a scale. The Acadia Gold Mining Company at Oldham, near Halifax, has been carrying out steady development work on its mine at Oldham. The Novamac Mines and Power Company is meeting with success, both underground and in its drilling operations. Development by this company is being pursued vigorously. This company has two mills in operation, producing bullion daily. Other operators are steadily employed building up ore reserves underground. Within a year the mineral development of the province will undoubtedly make tremendous strides.

MANY POSSIBILITIES FOR HYDRO POWER IN NEW BRUNSWICK

Several Undeveloped Sites for Supplying Power Are Available

Although with the single exception of the Grand Falls on the Saint John River the water power sites in New Brunswick are of comparatively low capacity, there are several yet undeveloped that are admirably located for supplying medium-sized industrial loads and power for general distribution.

There is now installed upwards of 33,000 h.p. of hydro electric turbine capacity. A 60,000 h.p. installation is under construction at Grand Falls by the Saint John River Power Company, a subsidiary of the International Paper Company. It is estimated that there remains in other sites a total of 75,000 continuous horsepower yet to be developed. These will probably warrant an ultimate installation of not less than 100,000 horsepower.

Largest Plant

The Grand Falls plant, now under construction, will be the largest in the Maritime Provinces and the energy therefrom will be utilized largely for the manufacture of paper from wood grown on the Crown and private timber limits that cover a large proportion of the northern area of New Brunswick. Six thousand horse power has been reserved under option to purchase by the New Brunswick Electric Power Commission.

Power for domestic and industrial purposes is distributed by competent agencies in over 40 towns and villages in the province and in some localities to rural districts between towns and villages.

The Maine and New Brunswick Power Company delivers energy from the Aroostook Falls plant to: Saint Leonard, Grand Falls, Claire, St. Basile, Perth, Andover, Hartland, Centreville, Bristol, Bath, Woodstock, and Florenceville.

Power from fuel or hydro plants is available in Fredericton, Devon, McAdam, St, Stephen, St. George, Saint John, Dorchester, Sackville, Port Elgin, Edmundston, Campbellton, Dalhousie, Bathurst, Richibucto, Rexton and Newcastle.

In Southern New Brunswick the New Brunswick Electric Power Commission has under operation a complete transmission system between Musquash, 16 miles west of Saint John, and through Moncton to Shediac, a total distance of 120 miles. Power is generated at the Hydro plant at Musquash and this plant is connected by transmission lines to the New Brunswick Power Company steam plant at Saint John, the two stations being operated in parallel or separately, as water conditions dictate. Power under exceptionally favorable rates is distributed in the following communities on this system—Saint John, Westfield, Fair Vale, Hampton, Norton, Apohaqui, Sussex, Petitcodiac, Havelock, River Glade, Salisbury, Moncton and Shediac—as well as along several miles of rural distributing lines between these centres.

Power Distribution

In the City of Saint John and several suburbs, power is distributed by the New Brunswick Power Company and by the Power Commission of the City of Saint John, the latter being supplied by the New Brunswick Electric Power Commission.

As an indication of the adequacy of the central electric station industry to take care of the natural growth in demand, it is to be noted that the number of electrical customers has increased approximately 20 per cent. in the last three years, with a much larger proportionate increase in the quantity of power generated and delivered.

A 200,000 horse power tidal power development is under consideration by private interests. It would be located on the Petitcodiac River to utilize the immense rise and fall of the tides of the Bay of Fundy at this point. There is the possibility of the ultimate electrification of the Atlantic division of the C.N.R. Power would be supplied by the new projected tidal development.

Further boring operations in connection with the proposed Petitcodiac hydro development scheme will be commenced at once by Captain MacLeod, superintendent of boring operations of the Federal Department of Public Works. A complete survey will be carried on to ascertain the exact volume of water above the site of the proposed dam.

Matthew Lodge, a director of the C.N.R., is interested in the development. Dexter P. Cooper, one of the leading engineers in America, has made wonderful progress in working out the plans for this enterprise. For nine years, he has made a close and exhaustive study in that connection and for the last three years he has been living permanently on Campobello Island, and has had engineers and some 20 men employed in survey work and boring operations. It is the hope that actual construction work on the dams will begin in the near future.

Proposed Dam

Mr. Cooper is satisfied as to the feasibility of the engineering undertaking, and entertains no doubt about the practicability of building a dam at the junction of the Petitcodiac and Memramcook Rivers, and in this he is supported by the opinions of many of the leading engineers of the world, including his brother, who is at present designing plans for a great engineering work on the Dneiper River, for the Soviet Government, the cost of which will be around eighty million dollars. The Soviet administration asked the war department at Washington to recommend the best engineer they knew of for the work, and Mr. Cooper, who carried out the great Mussels Shoals undertaking, was immediately recommended.

Tidal power development is no longer a mere theory, he says, and its future is immense. In due time electric current will be distributed over a wide area from the Passamaquoddy enterprise, and, as the demand warrants, the development will reach a maximum of some 750,000 horse power.

GATEWAY FREIGHTS PERTURB SHIPPERS IN NEW BRUNSWICK

Maritime Industry is Vitally Interested in Saint John—Ste. Rosalie Gateways

Maritime industry is vitally interested in what is usually referred to as the Saint John-Ste. Rosalie gateways. About 80 per cent. of the freight traffic in the Maritimes is handled by the Canadian National Railways. Thus, for most Maritime shippers, the nearest Canadian Pacific rail points are Saint John or Ste. Rosalie. In many instances Maritime shippers located only on the C.N.R. can obtain lower rates by shipping via the C.P.R. at Saint John or at Ste. Rosalie.

The Canadian National Railway, in handling Maritime freight either to points served only by the C.P.R. or by both railways, desires to obtain the advantages of as long a haul as possible.

Special Instance

To show how this affects Maritime shippers, a specific instance might make the point clearer. A Montreal firm located on a C.P.R. spur, buys goods f.o.b. from a plant in New Glasgow, Nova Scotia. If the Saint John Gateway is closed, the shipper must send his freight all the way to Montreal via the Canadian National. There, the consignee, because he is located on a C.P.R. spur, must pay switching charges on the car or cars. The C.N.R. has recently agreed to absorb in its rates such switching charges.

However, if the Saint John Gateway were open, the shipment would be handled as far as Saint John by the Canadian National and then hauled from Saint John to Montreal, and switching costs would be avoided.

Furthermore, when the Saint John and Ste. Rosalie Gateways are closed the Maritime feel that there is no competition between the railroads to provide good service, for over 80 per cent. of the total Maritime rail traffic is in the hands of one railway. The Maritimes feel that every endeavor in the past has been made to avoid anything like a railway monopoly and that they are entitled to such benefits as exist through the competition of the roads.

Commission's Recommendation

The Duncan Commission recommended that the Saint John and Ste. Rosalie Gateways be kept open, and the Board of Railway Commissioners issued an order to this effect. But the Canadian National Railways appealed the order to the Supreme Court of Canada.

The Maritime Provinces feel that they are entitled to these open gateways and are rather weary of the persistent and unceasing effort to peel and tear away the slender fragments remaining of the special transportation rights which mainly induced their entry into Confederation.

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ALL IS NOT WELL WITH FISHERMEN IN MARITIMES

Claim They Do Not Get Enough Money for Their Labors

That all is not well with the fishermen of the Atlantic provinces has long been abundantly evident. The Atlantic Ocean is equal to its part—there is no falling-off in its yield of fish. Nor are modern methods of catching unequal to their purpose. But there is a lack of profitable markets. For one thing, a greater demand for fish is needed. That demand must come either from within, or from without, our borders, or from both sources Notoriously, we Canadians, as a rule, are not great fish eaters— not so great, at any rate, as we should be, having regard to the variety and excellence of the fish found in our waters, and to the physical and mental benefits derived from the eating of fish. We are improving in this matter, as a people —no doubt, in consequence of improved education as to the food value of fish. But there is room for much further improvement yet. Our domestic consumption of fish is said not to exceed 20 lbs. per head per year—about half the per capita consumption in Great Britain. But, still, even if our domestic consumption were greatly increased—which it is not likely to be suddenly—we should still require a much larger export market than we have at present before the market for Maritime fish was as profitable as it should be to put the Maritime fishing industry on a sound basis.

Not Enough Money

So far as can be ascertained the large companies that handle Maritime fish as their business are not exacting any greater return for their activities than it is reasonable to accord to capital and managerial capacity. But yet it is quite obvious that the fishermen are not receiving enough for their time and effort—and, after all, the life of a Maritime fisherman is not all "beer and skittles"— to enable them to conform to the relatively high standards of living that happily obtain in their country as a whole. The fishermen on the Atlantic coast—particularly east of Halifax—are in a parlous plight. They do not earn enough to enable themselves and their families to live as we are accustomed to think Canadian families have a right to expect to live. They do not earn enough because the operating companies cannot afford to pay them more—if they themselves are to run their businesses on an economic basis—for lack of a sufficiently profitable market.

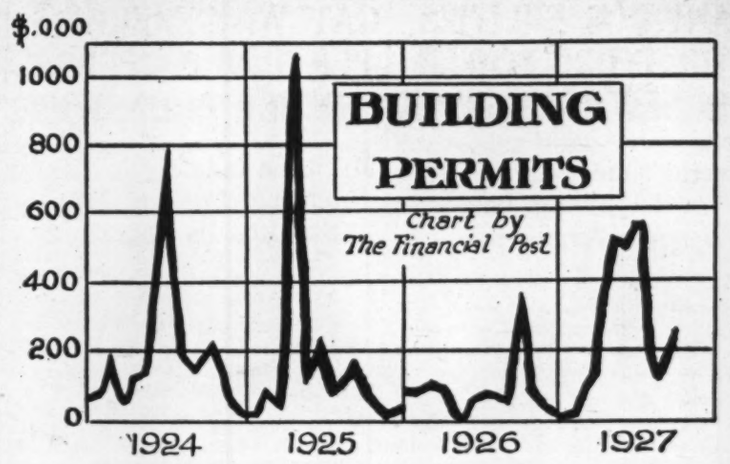
To secure that more profitable market, it is necessary either that the consumer should pay more for fish or that the demand for it should greatly increase. In these days of higher prices for everything, one naturally shies at the former idea—and, moreover, its realization, by diminishing the total volume of consumption, would probably defeat the very ends at which it was aiming. But that the market for Maritime fish is readily susceptible of being rendered more profitable by being very greatly extended seems to be incontrovertible. In its initial report on the fishing industry of the British Empire, the Imperial Economic Committee of the Empire Marketing Board gave expression to the opinion that the adoption of improved methods of preserving fish would inevitably enlarge the trade in this commodity between Canada and Great Britain.

The later is a great fish-consuming country, her per capita consumption being about double that of Canada. But her domestic supplies of fish, relatively large as they are, are inadequate to her needs. Hence she imports fish of the annual value of about $50,000,000 annually. Canada's share of this handsome sum is only a comparatively small fraction. In fact, from the whole of the British Empire outside herself, Great Britain imports only about $12,000,000 worth of fish in a year, the great bulk of her fish imports coming from foreign countries. But it is thought certain that the adoption of improved trade methods would result in Great Britain taking largely-increased supplies of fish from the Maritime fisheries. It is up to the recently appointed Royal Commission to indicate precisely in what such improved trade methods consist, and how far their adoption may reasonably be expected to provide a larger market for Maritime fish in Great Britain and other countries, as well as to furnish a strong impetus to the distribution of fish over wider areas of our own Dominion. In this connection, it is worthy of note that the Imperial Economic Committee recommended that an experimental station be opened in the Maritimes. As a matter of fact, there is, at present, in Halifax, an experimental station for brine freezing under control of the Maritime Biological Board.

Commercial Value

The fisheries of the Maritimes, alike in extent, in quality and in commercial value, constitute one of the most important of the natural resources of those provinces. They are by far the most diversified of the three divisions into which Canadian fisheries naturally fall, and they have also been much the longest in use, having been frequented by French, Spanish and Portuguese fishermen in the sixteenth century. The fishing waters are some 200,000 square miles in extent, constituting about four-fifths of the entire ocean area of the North Atlantic. The yearly production of the Maritime fisheries is worth about $16,000,000; the capital invested in the industry totals some $12,000,000, to which must be added a further sum of nearly $6,000,000 in respect of establishments for curing and so forth; while the industry gives employment to over 30,000 people.

In addition to the chairman, Mr. Justice A. K. MacLean, the commission appointed to enquire into, and to suggest remedies for the situation surrounding the fisherman, is composed of H. R. L. Bills, of Lockport, Nova Scotia; Hon. Joseph Mouberquette, of L'Ardoise, Nova Scotia; Cyrus MacMillan, of McGill University, and J. G. Robichard, of Shippegan, New Brunswick.



The amount of building being carried on in the towns and cities of the Maritimes this year has been greater than at any other time since 1920. Residential construction has been particularly prominent, while business building has not been lagging.

UNDERGROUND GAS IN ALBERT COUNTY BENEFITS TOWNS

Moncton, Hillsboro and Other Cities Occupy Unique Position

Moncton, Hillsboro and other towns in Albert County, New Brunswick, occupy a unique position as the only cities and towns in eastern Canada deriving a large proportion of their light, heat and power from natural gas.

The gas and oil field is situated at Stoney Creek, Albert County, about ten miles from the City of Moncton.

Tar Seepages

The existence of petroleum in Westmorland and Albert was known long before any drilling was carried out. The tar seepages at Dover and St. Joseph's furnished the first evidence of natural oil in this part of the province. Some far-seeing men in the U.S. and New Brunswick, who knew of the oil and gas seepages at various points recognized the same conditions existing as they found in Pennsylvania, and as early as 1860, wells were drilled at St. Joseph's, Memramcook and Dover with some degree of success. They evidently did not consider the field sufficiently productive to continue operations.

In 1898 a company was formed and 1901 saw the first drill set up. Oil and gas were discovered in a large number of the drill holes. This was the real beginning of the oil and gas industry in New Brunswick.

This was the N.B. Petroleum Company. The first officers were: G. C. King, president; Hon. A. D. Richard, vice-president, and Mathew Lodge, secretary-treasurer. The operations were steadily expanded until 1909 when an option on the property was given to the Maritime Oilfields. The latter company amalgamated with its predecessor in 1915. The success of the new company was assured from the start when large discoveries of new gas were made.

Gas Distribution

Since 1915 the gas from these fields has been supplying the surrounding cities and towns. The Barnsdall Oil Company took over the gas distribution and the advent of natural gas to the City of Moncton marked the turning point in the history of that city.

Practically the entire field is being operated by another new company—the merger of the former operators—the New Brunswick Gas and Oilfields. This company has drilled 79 wells which vary in depth from 1,500 feet to 4,650 feet.

In the last few years there have been greater discoveries of oil, and the gas production has been sufficient to supply the requirements of the surrounding towns. The company now has a possible production of 150 bbls. of oil per day, and the field is being extended. The head office of the company is in Edinburgh.

The distributing company is known as the Moncton Tramways, Electricity and Gas Company, which constructs and maintains all pipe lines, including field, gathering lines, transmission and distributing lines, and regulating stations for distribution of gas to the householder; the rate at which gas is sold to the citizens of Moncton is one of the lowest on the continent.

Capacity of Wells

While the capacity of the wells and field pressures are very much diminished the companies are hopeful that additional gas will be discovered from time to time, which if properly conserved may provide Moncton with this fuel for many years to come.

New Brunswick Gas and Oilfields, Limited, has made several attempts re the extension of the present field in Albert County, and a few years ago an option was given to another company to drill on other parts of the franchise. The results were not conclusive, and the contention is that at no point in their operations did they drill deep enough to prove the existence of the oil-bearing strata. Therefore the territory west of the franchise has not yet been fully explored. There is every reason to believe that other domes of gas and oil exist in many other portions of the territory. While the present company is expending each year very substantial amounts of money it is felt that they must employ larger capital to carry on the extensions necessary for the full development of their franchise.

The work in New Brunswick has been carried on under great difficulties. From the beginning it was difficult to convince the investing public of the possibility of discovering oil and gas in New Brunswick. The theory advanced by the promoters was not concurred in by our Dominion geologists.

GYPSUM IS FOUND ON ONLY ONE FIELD IN NEW BRUNSWICK

Deposits in Albert County Considered Most Valuable in Dominion

While there are several gypsum mining companies in operation in Nova Scotia, the gypsum production of New Brunswick comes practically only from one field in Albert County. The deposits there have long been successfully worked by the Albert Manufacturing Company.

The gypsum deposits of the Albert Manufacturing Company in Albert County, N.B., are considered to be the most valuable in the Dominion. Prior to the year 1854 gypsum was mined in that county by the farmers and sold in small quantities to captains of coasting schooners, who in turn sold it to United States plaster mills. The principal mines and quarries being worked by the company to-day are the Sayer, Whitehead, Hamm and Smith. Beside owning the land on which these quarries are situated, the company has large tracts of valuable timber lands, to the extent of about 10,000 acres. This timber area is in itself a very valuable asset and provides everything required in the way of cooperage stock for the mill. The Albert Manufacturing Company employ about 325 men the year round, as the operations do not cease during the winter months. Between the quarries and the mill the company operate a railroad. The road and its equipment is owned by the company; it is six miles in length and handles all the raw and finished products. It connects with the C. N. R.

An examination by geologists shows that the gypsum deposits at Hillsborough, N.B., are not varied in their character, consisting of pure white and greyish white rock.

The company has recently completed a large addition to its mill, made necessary by the growth of business. The extension to the plant will facilitate a much larger daily output. Other large additions are contemplated in the near future.

Fishing Industry is Bad for Nova Scotians

While the return to the individual fisherman or to the operator has been declining of late years, yet the Nova Scotian fishing industry is one of the fundamentals upon which the general level of business in that province is based. The figures which follow give an idea of the magnitude of the industry.

It is unfortunate that while the value of the output of the Nova Scotian fishing industry has grown over the past few years, yet the industry as a whole cannot be said to be anything like prosperous and profits are perhaps lower than they have ever been. There are, of course, exceptions to this and some of the plants which depend on the harvest from the sea for their raw product are doing a satisfactory business. Nevertheless, the industry as a whole is in a most unsatisfactory state. Some improvement in the situation it is hoped will result from the work of the Royal Commission at present investigating the fishing industry. The figures follow:

Men, Boats and Plants

No. of men engaged in industry..	20,000
No. of boats (steam, sail, motor, row)	10,850
No. of refrigerators and ice houses	300
No. of lobster canneries	142
No. of fish curing establishments	100
No. of other curing establishments	6
No. of small fish and smoke houses	4,397
Total No. fish plants	4,945

Capital Invested

Amount of money invested in gear and equipment	$8,000,000
Amount of money invested in cold storage and bait plants.	4,125,000

Production

Total catch for 1926	314,000,000 lb.
Total catch for 1925	247,000,000 lb.

Value

Landed value of fish 1926	$8,483,671
Landed value of fish 1925	7,167,851
Market value of fish prod. 1926.	12,000,000
Market value of fish prod. 1925.	10,180,734

Weight and Value of Each Class of Fish

	lbs.	Value
Cod	183,361,100	$3,623,054
Haddock	43,958,400	825,614
Herring	25,533,200	273,839
Mackerel	6,757,100	211,892
Lobster	17,697,900	2,410,606
Swordfish	1,233,800	140,222
Halibut	2,327,300	289,115
Pollock	4,691,500	52,554
Salmon	1,253,100	181,999
Smelts	1,046,700	114,174
Albacore	150,700	42,468
Hake & Cusk	8,898,400	88,718
Flounders, etc.	1,389,100	26,269
Oysters (bbls.)	2,346	13,763
Shad (lbs.)	55,600	6,046
Squid (for bait) (bbls.)	5,418	14,915
Clams and Quahaugs (bbls.)	4,357	7,328
Scallops (bbls.)	10,513	70,283
Alewives (lbs.)	2,666,400	17,625

NEW BRUNSWICK USES MORE CARS

Percentage of Increase is Greater Than Any New England States

That New Brunswick is experiencing a year of bettered business conditions is borne out in the increased use of motor cars and trucks which has taken place there. The province has a percentage of increase in the number of motor vehicles registered in the province during the year now closing that is greater than the percentage of increase in any of the New England States. Returns of the Motor Vehicle Branch of the Provincial Department of Public Works show the increase in the number of motor vehicles in this province this year to be 15.4 per cent., whereas the largest increase in any one of the New England States is 11.1 per cent. in the State of Massachusetts, according to figures recently sent out from Washington.

The number of motor vehicles registered in New Brunswick this year as compared with last year follows:

Year	Cars	Trucks	Buses	Tract's
1927	22,400	2,100	38	13
1926	19,412	1,853	28	8

The figures for the present year in New Brunswick are tentative and subject to adjustment. The receipts of the Motor Vehicle Branch also show an increase, despite the fact that the registration fees have been reduced. The revenue up to October 26 of the Motor Vehicle Branch of the Provincial Department of Public Works was $619,572.67, as compared with final returns of $566,815.88 for the previous year.

Beans that Sell better

There must be extraordinary selling appeal behind Ben's Baked Beans.

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To-day they not only are outstanding in the Maritime Provinces, their original territory, but selling faster and faster in Quebec and Ontario as well.

Plant capacity has been more than doubled. Orders from your Purchasing Department will receive prompt attention.

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Halifax

Ferries and Steamers Are Run in Nova Scotia by Local Government

Subsidizing of Steamboats Facilitates Transportation Communication Between Isolated Points, Especially During Winter

The subsidizing of over three hundred ferry, steamboat and packet services in Nova Scotia, entailing an annual expenditure of over $100,000, is the service being performed by the provincial government; it is taken advantage of by many thousands of people. The subsidizing of these ferries and steamboats make possible transportation communication between isolated points which otherwise, especially during the winter months would be entirely shut off from other portions of the province. It also enables districts not served by railroads to get products expeditiously to the markets.

It is, perhaps, not fully realized how many districts there are in Nova Scotia which are not in direct contact with the larger centres. Especially on the Island of Cape Breton some sections of the coast are isolated for a large part of the year and these sections depend altogether upon steamboat connection for landing of supplies to carry the inhabitants over the winter months. So important are certain ferries, owing to their forming a link in the highway system, that their management has been assumed entirely by the department of highways.

Survey of Ferries

Since coming into office the Rhodes government has had a careful survey made of all the ferries, steam-boat and packet service in the province with a view to eliminating unnecessary services and the development of services which fill a need. This survey was exhaustive in its character and covered practically all the existing subsidized boats in Nova Scotia as well as including an investigation of certain points where representations emphasized the need of the establishment of such subsidized ferries. As a result of this survey the system of subsidized boats has been greatly improved and the service rendered the public has been correspondingly increased.

Many Services

There are 260 ferry services subsidized by the provincial treasury and a large portion of these are on the Island of Cape Breton. No one but an authorized ferryman is permitted to carry on a regular ferry service excepting a person receiving government aid who then becomes authorized for the purpose.

In addition to the ferry services there are about 43 steam and motor driven boats receiving subsidies from the provincial treasury. In a province with such an indented coast and where there are large sections not served by railway facilities, it is most important that these steamship services be maintained for the cheaper carriage of goods and the bringing of fish and other products to market. Realizing this, the government makes annual grants to these ferries and steamboat services, which in turn enable the owners to carry on these services which they would otherwise be unable to finance on account of lack of adequate remuneration. The steam and motor driven boats this year will receive an aggregate subsidy of $88,870.

These services may be grouped into four classes, viz., those serving Bay of Fundy and Yarmouth Ports, those plying outward from Halifax to the westward, and to the eastward and ports in Cape Breton; those serving Cape Breton ports from Sydney and miscellaneous services in other parts of the province.

Ferry Services

The different ferry services in Nova Scotia will be subsidized this year to the extent of $9.714.50, while packets will receive $3,190.00. The remaining item of $2,800 for landing services on the coast of Victoria makes a total expenditure for ferries, steamboat and packets during the fiscal year 1926-27 of $104,574.50. This figure does not include the cost of the conducting of the highway ferry services which have been referred to above. These are operative at the following points:— Ross to Big Harbor; Grand Narrows to Iona; Little Narrows to Englishment and Big Bras d'Or to New Campbellton. The most important service conducted by the department of highways is that of Port Mulgrave to Port Hawkesbury, between which two points operates the Pont de Canseau, a new boat put on the service last year. Increased traffic commends most highly the services rendered by the department of highways at this point.

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Oland's Brewery Limited
SAINT JOHN - NEW BRUNSWICK

Maritime Provinces Demand That Report by Duncan Commission be Fully Adopted

(Continued from page 17)

Halifax and Saint John and their development and operation by the Dominion as a whole along the lines on which the canals have been developed. The Maritimes feel that the canals are free to the shipping of all nations, and that their cost and maintenance falls upon the people of Canada as a whole. It is felt that the harbor of Saint John has not been nationalized in the sense intended. The Act applying to the harbor of Saint John and that applying to the appointment of a commission at Halifax is the same Act that applies to Toronto or Chicoutimi. There is nothing in it which recognizes the special and peculiar confederation rights of the harbors of Halifax and Saint John. It is merely the ordinary Harbor Commission Act which gives the harbor commissioners no rights to establish such rates as they may deem necessary to develop the business of the port in the national interest. Under the Act, the harbors are to be self-supporting. There is nothing which would allow these national ports to be developed in the same fashion in which other national works have been developed.

A harbor commission has been appointed at Saint John, but as yet no commission has been appointed at Halifax. Both cities are insistent that their ports be really nationalized. This is another Duncan recommendation which has only been implemented in part.

Touching the ports of Prince Edward Island, it was recommended that the Public Works Department make an immediate survey of the harbors with a view to adequate provision being made to meet the needs of the Island's produce. Some action along these lines has, it is understood, been taken.

Trade Needs

Along more industrial lines, the Duncan report recommends that the Dominion Government apply its mind to the trade needs of the Maritime provinces, particularly with regard to fish and forest products. The report indicates that a trade treaty with the U.S. in those products might perhaps be worked out. No action on this has been taken.

The report also recommends that a Deputy Minister of Fisheries be appointed, in view of the importance of this industry. This recommendation will probably be carried out shortly.

Two other recommendations were made regarding the fisheries, namely, that the Deputy Minister should take the subject of closed seasons and conservation into immediate consideration, and that definite regulations should be framed. Also that further educational work along the lines carried out by the Department of Agriculture should be initiated by the Fisheries Department, including demonstrations of curing, canning, grading and marketing. Presumably, definite action will be taken along these lines ultimately by the new Deputy Minister when he is appointed. But nothing has yet been done.

The chief market for Nova Scotia coal lies along the valley of the St. Lawrence, but coal can only find a market in the towns lying along the river itself, because the advantage of cheap water transportation is nullified insofar as contiguous inland territory is concerned through the high rail rates from Montreal or St. Lawrence ports to nearby cities and towns. Thus, Nova Scotia coal is handicapped in the competition with United States coal, as the latter obtains the benefit of a long haul mileage rates, whereas the former is handicapped through the high cost of the short haul.

For instance, the rail rate from Montreal to Ottawa is $1.30 per ton, a distance of 117 miles, or almost twice the cost of water transportation from Sydney to Montreal—a distance of 850 miles.

The Duncan report says that this matter should be dealt with by the railways and by the Railway Board. From the Maritime provinces' angle it is of vital importance, but nothing has yet been done.

1924 Subsidy

In 1924 the Dominion Parliament voted a subsidy of $150,000 to railways carrying coal, conditional upon rate reduction. However, this became effective at a season when little coal was moving. Last year, a committee of Parliament recommended that this subsidy be renewed, and the Duncan Commission supported this recommendation. Again, no action has been taken.

Touching the Nova Scotian coal situation, the Duncan report advocates immediate steps to assist the establishment of a domestic coking industry. This recommendation has been partially implemented and an Act has been passed granting financial aid to coking plants provided that they use a certain proportion of Nova Scotian coal. But apparently little has been done towards establishing such coking plants.

It was recommended, too, that the Tariff Advisory Board should be asked to give its immediate attention to the need of adjustments in the customs tariffs on coal, anthracite and coke. No action has been taken on this either.

Questions of the Canadian tariff were not included in the terms of reference in the Duncan Commission, and, a year ago, the Chairman of the Tariff Advisory Board stated that the tariff on iron and steel was then under consideration. Nevertheless, the Duncan Commission regarded it as its duty to record the significance of this industry to the Maritime provinces, and forcibly brought home the need for prompt action. While the report itself did not recommend a revision in the tariff, it placed the commission on record as emphasizing the need for prompt and immediate action on the steel and iron tariff. Nothing has yet been done.

Imported Coal

Industries in Canada which use imported coal for metallurgical purposes obtain a drawback of 99 per cent. of the tariff. This is tantamount to giving a bonus to these industries, since it means that the Dominion is yielding up tariff revenues which would accrue under its general tariff policy, particularly on bituminous coal. Thus the Duncan Commission recommends that a bonus should be given to steel industries which use Canadian coal. Such a bonus to be calculated on the basis of the present drawback given when coal is used for metallurgical purposes. If carried out, such a recommendation would broaden the market for Nova Scotia coal and at the same time greatly assist the steel industry in Nova Scotia, which is the only industry of its kind in Canada utilizing all-British raw materials. Yet nothing has been done.

The Maritime provinces themselves during the past year, have been much more active in immigration work and in farm settlement work, and realizing the opportunities which exist, the Duncan Commission recommended that the Federal authorities and the Maritime governments should co-operate with a view to devising plans for actively advertising abroad the attractions and advantages of the Maritime provinces. Very little, if anything, seems to have been done along these lines.

The Province of New Brunswick carries a heavy load in two railways which are now operated by the C. N. R., namely the Saint John and Quebec Railway and the Kent Northern Railway. The Duncan Commission recommended that an ad hoc tribunal be appointed to inquire into the circumstances surrounding the Saint John and Quebec Railway, with power if they are satisfied that the circumstances justify it, to arrange terms and conditions upon which the railway should be taken over by the Dominion. A year has passed, but no action has yet been taken. It was recommended that negotiations be reopened to purchase the Kent Northern Railway for $60,000, but no action has been taken along these lines either.

In dealing with the expansion of the Maritime trade in foreign fields, the Commission felt that a more vigorous and more active commercial policy would afford help to the Maritimes which would be of the greatest importance. Undoubtedly, the trade commissioner service is undergoing improvement; but the Maritimes are not conscious that any special action to develop its trade has been undertaken.

Detailed Survey

Both the provinces of New Brunswick and Prince Edward Island have no accurate detailed survey of their natural resources, and while the Duncan report recommended that the Geological Department undertake as soon as possible such a survey, no action has yet been taken.

The Federal government has given assistance in technical education to the other provinces, but as Prince Edward Island is purely an agricultural territory it has not been able to take advantage of the grants and therefore feels that grants applicable to industrial education in other provinces should cover agricultural education in Prince Edward Island. This recommendation has been made by the commission, but no action has been taken.

In carrying out its investigations, the commission experienced a lack of any comprehensive measurement of the trade of the Maritimes with the other sections of the Dominion and with foreign markets. The absence of such statistics hampered investigations and it was recommended that statistics should regularly be made available, as soon as possible, on this phase of the internal trade of Canada. Apparently, no action has been taken along these lines, due probably to the fact that the appropriation for the Dominion Bureau of Statistics is exhausted in its present activities.

The commission had the Bureau of Statistics prepare a special memorandum involving the more important statistics of economic progress in the Maritime provinces, and recommended that this memorandum be published. It is understood that this is in the course of preparation.

Necessary Recommendations

To-day, current opinion in central and western Canada believes that the commission on Maritime rights has adjusted all the just claims of the Maritimes. The commission certainly carried out its duty and made the necessary recommendations to the Federal government, but from the foregoing it will be seen, first, that during the past 60 years the Maritimes have received very shabby treatment from the rest of the Dominion and that, second, little has been done to adjust the handicaps of these provinces.

It is to be remembered, moreover, that the foregoing covers not Maritime claims, but Maritime rights—rights which the Maritimers themselves are just as insistent as ever must be granted.

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NOVA SCOTIA NEEDS MORE DEVELOPMENT OF WATERPOWERS

In Rivers Alone Province Has Available at Least 350,000 Horsepower

While Nova Scotia has none of the spectacular waterpowers of the Dominion, yet in its rivers alone the province has available at least 350,000 horsepower of which 71,000 horsepower has been developed. Such a supply of waterpower will meet the province's requirements for some time to come. In addition there are large potential waterpower resources both in the tides of the Bay of Fundy and in certain of the rivers which are subject to tidal variations in their levels.

Of course, tidal power developments either on the mouths of rivers or actually on the Bay of Fundy coast are only possible where the layout of the coastline or the rivers is such as would make possible an economic development. The Nova Scotia Power Commission has investigated some of these sites and has found that large blocks of potential power could be developed on a reasonable cost per horsepower basis.

Great Advancement Made

Developments of this character, though, would produce tremendous quantities of energy which in view of the present state of the power markets in Nova Scotia could not be absorbed. In addition, because of Nova Scotia's immense coal fields, power can be developed at the pitheads at a cost approximating that of hydro electric developments. Tremendous strides have been made in the last few years in the development of electric power by steam and to-day in the United States, many of the plants produce power from steam at a cost comparable to hydro electric developments. The island of Cape Breton in addition to its coal areas has one large power site available at Lake Anslie. The potential power there is more than sufficient to supply all the demands of the island. While there is a considerable variation in the flow of many of the Nova Scotian rivers at different seasons of the year, yet the province is fortunate in having a great number of lakes where it is possible to store sufficient water to give a uniform flow over the whole year. For instance, in the St. Margaret's Bay system there is no water wasted during an average year. The following table shows some of the larger undeveloped waterpowers in the province:

River	Head	Continuous Horse Power
Bear	451	6,700
Nictaux	103	1,910
Paradise	500	2,270
Gaspereau	440	6,200
St. Croix	186	3,730
Avon	124	1,015
Tusket West Branch	55	900
Tusket East Branch	107	2,900
Tusket Main River	25	1,400
Roseway	120	2,930
Liverpool, Lake Falls	79	9,050
Liverpool Big Falls	58	6,640
Liverpool Lower Great Brook	20	2,290
Medway, Mill Village	11	990
Medway Salmon Falls	20	1,800
Medway Glodes	70	6,300
Medway, Remainder of River	77	6,930
LaHave, Main River	94	2,250
LaHave, North Branch	113	1,940
Mushamush	70	710
Gold River	208	1,890
Gold River Lake Holden	140	280
Ingram	288	2,350
Sackville	140	760
Tangier	188	2,285
Liscomb	148	3,200
Lake Ainslie	170	4,300

Continuous Horsepower

The foregoing figures show continuous horsepower, but it is probable that the load factor on any developments on these sites would be such as would allow a turbine installation from 1.25 to 2.5 times greater than the figures indicate. As the demand for power varies, it is possible, of course, to store the water which allows for the larger installation.

Power in Nova Scotia is developed both by private interests and by the public. The private companies are allowed under the law to obtain a return of 8 per cent. on their investment. The Power Commission of the province fulfils a useful function in developing projects which are needed but which have not attractive private capital. The commission supplies power at cost to municipalities, corporations or individuals and in addition, records all data regarding the power possibilities of the province.

A large proportion of the total developed waterpower in Nova Scotia is used in hydraulic turbines which transmit power mechanically to various industrial operations, particularly to pulp and saw mills.

The Nova Scotia Power Commission operates the St. Margaret Bay system which comprises two generating stations with a combined installation of 10,000 horsepower. The power is transmitted over an 18 mile line and sold to the Nova Scotia Tramways and Power Company for distribution in and around the city of Halifax. The commission operates two generating stations also at Malay and Ruth Falls. These two plants are known as the Sheet Harbor system and the total installation amounts to 4,500 horsepower. The power is sold to the Pictou County Power Board over a 45 mile transmission line.

At Ruth Falls the commission operates a plant with an installed capacity of 13,000 h.p. A third 6,500 horsepower unit can be installed at this plant. This power is supplied to the A. P. W. Pulp and Power Company at West River, Sheet Harbour.

At Marshall Falls the Commission operates a dam which is at present used only for storage but which will allow a development under a head of 42 feet and provide 50,000,000 kilowat hours per annum.

The Commission's Mushamush plant has only a small output of 657,000 kilowatt hours per annum and supplies Lunenburg and Mahone Bay and Riverport.

To supply the increased power requirements of the Nova Scotia Tramways and Power Company, the Sandy Lake extension of the St. Margaret Bay system was begun by the Commission this year and will be completed by the end of the year at an estimated cost of $669,000. The installation here will provide an additional 5,000 horsepower.

For the future, the demand for power in the province will increase and at the present time a paper mill project on the Avon River is underway. Then, the increased interest in the province's gold bearing areas will increase the demand for power. The gypsum-mining industry is also increasing and it can be anticipated that the future growth of this industry will take place with a consequent increase in the demand for power. With its large natural resources, and with the developments now underway or projected, it can be anticipated that the power production of Nova Scotia will increase substantially in the future. At the present time, the Avon River Power Company is building another plant which will add materially to its output.

The privately owned power developments of the province consist only of comparatively small plants. The largest steam plant develops only some 3,000 h.p. and the largest hydraulic plant has a rated capacity of 5,600 h.p. The public utility companies which develop their own hydro electric power have small plants also; the largest being not much more than 2,000 h.p.

Individual Developments

While the individual developments are not large as compared with some of the gigantic plants in central Canada, yet what the province lacks in large hydro plants is compensated for in the multiplicity of small installations. This is natural as the rivers are not of a size which would allow larger installations. For instance, at the present time on a 13 mile stretch on one river there are no less than 14 sawmills all of which develop either hydraulic or hydro electric energy.

For the future there is no doubt that the province will be able to harness satisfactorily and economically many of the smaller water powers which abound on its rivers. For larger developments the province can rely on coal or on tidal developments of one kind or another.

It is certain that, besides an abundance of small power sites ideal for purely local purposes, Nova Scotia has many other sites which from their location, distribution and size are well suited to meet the immediate and prospective industrial needs of the country. The large precipitation throughout all parts of the province, with its even geographical distribution, the innumerable lakes available for storage purposes, and the proximity of the larger power sites to deep sea harbors, are distinct advantages. It is exceedingly fortunate that there are a number of power sites which are large enough to secure maximum economy in construction and operation and yet not too large for existing and growing power demands. A proper balance may at all times be maintained between capital expenditure and revenue.

HALIFAX WILL HAVE TWO NEW HOTELS

Both C.P.R. and C.N.R. Erecting Hostelries in Conjunction with New Terminals

The city of Halifax after many years of patient waiting is at last to have an up-to-date and thoroughly modern hotel in fact the city will have no less than two hotels, one to be erected by the C.P.R. and one by the C.N.R. The C.N.R. hostelry will be erected in conjunction with the National railways' new terminus in Halifax.

The Lord Nelson Hotel is controlled through ownership of over half the shares by the Canadian Railway. The rest of the junior securities not owned by the C.P.R. were taken up by business men in Halifax who realized that adequate hotel accommodation was necessary for the city's growth and prosperity.

Construction work is now underway on the Lord Nelson Hotel and within a year the city of Halifax will for the first time be able to provide accommodation for tourists and business men in keeping with the importance and size of the city.

New Brunswick Power Co. Shows Improvement

Earnings of the New Brunswick Power Company show a betterment this year as compared with 1926. While the company, of course, still experiences keen competition with the local publicly owned Hydro-Electric, yet the privately owned enterprise and the publicly owned developments seem to have got down to a sensible working basis and from time to time the privately owned company sells power to the New Brunswick Hydro. The tramways department of the company's activities is on a satisfactory basis.

For many years, the company operated the power and tramways system in the City of Saint John, but some years ago the government allowed the publicly owned enterprise to come into the city and to erect lines to supply customers. Thus. today, there are two sets of electric distribution systems on the Saint John streets. The whole tangle has worked out unfortunately from the standpoint of earnings of the privately owned company and, moreover, the advent of the publicly owned company has not reduced the power rates.

However, as far as the New Brunswick Power Company is concerned, the tide of decreasing earnings has turned and the low point seems to have been reached during the 1925 year. Since the close of that year, earnings have moved upwards again. The outlook for the future of the private company is decidedly better than it has been for some years.

CANNING INDUSTRY OF NEW BRUNSWICK SUPPLIES WORLD

Foreign Trade of Connors Brothers Aggregates 40% of Total Production

Industries based on the natural resources of New Brunswick are generally healthy. One of the larger natural resources is, of course, fishing, and based on the fishing industry in turn there are numerous canning plants. Of the larger of these canning plants is Connors Brothers. This company is predominant in the world's canned fish trade and its foreign business now aggregates about 40 per cent. of its total production. The foreign markets of the company are widening.

Dealing with Connors Brothers, F. X. Jennings, associate editor of the Saint John Telegraph-Journal, said recently in his paper:

World Wide

"Mexico, South Africa, West Africa, China, Straits Settlement, Java, New Zealand, Fiji Islands, England, Australia, India, Newfoundland, Cuba, Siam, Denmark, Belgium, Sweden, Egypt, Italy, Turkey, Czecho-Slovakia, Austria, Hungary, Sumatra, Ceylon—but why go any farther? It would be easier to compile a list of the countries to which the products from this little village do not reach. In all the Southern American republics, and the islands surrounding them, in British Honduras, Jamaica, Trinidad, Barbados, Dutch and British Guiana, Curacao, San Domingo, San Salvador, Venezuela, Chile—in the British West Indies and Bermuda, even in Palestine, to-day will be found the fish products, gathered from the waters of the Bay of Fundy and the North Atlantic Ocean, and packed here by Connors Bros., Ltd.

"From a tiny office overlooking the rugged New Brunswick shore the lines of communication reach out through the mails, the telegraph wires and the cables to practically every hole and corner of the globe, so that the company's mailing list looks like a complete world gazeteer. Foreign business now aggregates about 40 per cent. of the total and is gradually growing.

"The Connors plant, includes two sardine and herring canning factories, a general store, a hotel, several residences for workmen, nine small vessels and a large steamer, and gives employment to between 350 and 450 people directly, and as many more in allied organizations. The business is under the general managership of Allan M. McLean, while production is superintended by P. W. Connors and the store is under the direction of W. J. Campbell.

"In company with the president of the company, A. Neill McLean, I watched the interesting procedure carried out at the plant. The fish are brought in by the firm's tank vessels, which gather them from the weirs along the New Brunswick, Nova Scotia and Maine coasts, for a radius of 50 miles or more; they are carried through the plant by an elaborate system of conveyors where they are cooked, cleaned, placed in tins, sealed up and finally passed through retorts where the whole package is sterilized at a high degree of heat, and are ready for packing in cases.

"Even the tins are manufactured on the ground, and six hours from the time the fish are taken from the water, they are in shape for shipment."

Output Doubled

The annual output of the company's plant has doubled within the last four years and now amounts to 20,000,000 tins a year. Prospects indicate that this figure will be again very largely increased, the chief reason for the expansion of Connors Brothers has been the betterment in the foreign demand which has mounted steadily and which gives every indication of continuing on the upgrade.

The company enjoys a considerable revenue from by-products, chief of which is fish meal, made from waste parts of the raw material. The output runs from 700 to 1,000 tons a year. It is used principally for stock feed and finds a ready market in Europe, particularly Central Europe. The oil which comes from the fish during processing is also recovered and refined. The output amounts to about 500 barrels each year. It is sold to be manufactured into paint.

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Charlottetown, P. E. I. 146 Richmond St.

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Established 1910

THERE are certain characteristics in papers, as in men, that invite confidence.

The MARITIME MERCHANT

(*Published at Halifax*)

possesses such characteristics to a conspicuous degree, and the manufacturer who is anxious to increase his sales in the Maritimes will find success much easier of attainment if he has its help.

The Toronto office of the "MARITIME MERCHANT" is at 21 King St. E., J. McGoey, representative. J. J. Gallagher, 161 Beaver Hall Hill, is the representative at Montreal.

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Imperial Oil Co.'s Office Building.
St. Patrick's Boys' Home.
Exhibition Buildings for Nova Scotia.
Provincial Exhibition.

SIXTY MILLION TONS OF WHITE SALT ARE UNDERGROUND

Malagash Co. in Nova Scotia Wishes to Place Product on World Markets

One of the most interesting financial and industrial developments in the Province of Nova Scotia to-day is the Malagash Salt Company's development at Malagash near Pictou. Here is located underground 60,000,000 tons of absolutely pure white salt, says Horatio C. Crowell, in an article descriptive of the project in the Halifax Herald. Describing this new and interesting development he continues:

"Competent geological engineers estimate that there are 300,000,000 tons of salt of a slightly lower grade within that small area, all of which by simple process of dissolving, and evaporation can be transformed into millions of tons of the highest grade of salt, and converted into one of the most valuable commercial products, with by-products more varied and valuable than those even that may be obtained from the coal resources of Nova Scotia.

"Eminent German geologists, who recently visited Malagash and examined the deposits, seeing the indications of potash, declared with enthusiasm, that the great potash deposits of Germany, the most valuable yet known in the world, showed no such evidence of richness before they were uncovered for the world's use, as those indications show in Malagash."

To Raise $500,000.

So with all this as their assets, the Malagash Salt Company Limited, composed of Nova Scotians, controlled by Nova Scotians, is going into the money markets of this country asking for an initial sum of half a million dollars. The aim is now to develop these resources so that they may place their product on the world markets in sufficient quantities to warrant operations on a big scale. This whole thing is pregnant with possibilities of an industrial development, which within a few years may astonish, not only Nova Scotia, but Canada.

George MacKay of New Glasgow is president of this company, and he has with him as directors, C. S. Trotter, general manager of the Standard Clay Products Limited, New Glasgow; A. R. Chambers, who was the first to recognize the value of the deposit of salt, and who is one of the foremost mining men of this country to-day; Robert Murray of R. M. MacGregor and Sons, New Glasgow, one of the shrewdest and most practical of business men; R. Douglas Graham, leading barrister of Pictou County, and R. E. Lucas of London, England, to whom perhaps more credit is due to-day, than to any other man, for having helped the early promotors of this project, when men nearer home were cynical toward the enterprise.

Mr. Lucas came to Nova Scotia several years ago as a stranger. He heard of the salt deposit at Malagash, visited the scene of the meager operations; and became convinced of its value. He went directly to the men who were struggling with the new enterprise and without further question placed $50,000 at their disposal.

Such was the faith that moves mountains; this time, mountains of salt. P. L. Cavanagh of New Glasgow is operating engineer at the plant and it is due to his courtesy that much of this information is available.

For ten years the promotors of this mining industry have been prospecting, digging, surveying, operating, producing and building, and now to-day, they have reached that stage, where their product in quality has proven, and in quantity is measured in such figures that it surpasses the comprehension of a layman to grasp its vastness.

Remarkable Deposits

For these ten years the company has been revealing from time to time that they are in possession of one of the world's great salt deposits. For these ten years they have been assured that markets are available for whatever quantities they may be able to produce.

But for all that time they have been without that one essential link which would connect their product with those markets, namely, transportation.

That problem, is now solved. Eight miles of very excellent built railway siding, connecting the mines with Wallace on the Short Line Railway, which in turn links up with the main line of the Canadian National at Oxford junction, has been completed recently.

That eight miles of railway further links the mines with a very fine shipping pier on Tatamagouche Bay, a sort distance from the present mine shaft. The largest freighters can dock at this pier, which is connected by a conveyor, not unlike that of a grain elevator, to a warehouse capable of holding at one time nearly 7,000 tons of salt.

Complete Setting

So here is the complete setting for a great industry; the deposit of salt in hundreds of millions of tons, 60,000,000 tons of which is 99 per cent. pure salt as it is dug from the bowels of the earth. Here are the shaft, the super structure with its machinery for hoisting; the vats for dissolving, and the plant for evaporating the salt, in order to cleanse it of even that one per cent. foreign substance; all under construction; the railway to carry the salt to the great home markets of Canada; the shipping pier to carry the products to the markets of the world, by the cheapest routes of transportation.

The next thing is capital. While the spade work was being done, those men who have brought this great resource of Nova Scotia to its present happy state had a hand to mouth proposition. But to-day they are in a position to go to the money markets of this country, and as they are about to do, ask for half a million dollars to assist them in the development of mining industry, which is based on one thing the world cannot do without, one thing than men must have to live; salt.

"Ye are the salt of the earth, but if the salt has lost his savour, wherewith shall it be salted."

And so here is a commercial project in Nova Scotia, that may be founded on nothing less notable than words taken from the world's greatest sermon preached two thousand years ago.

Peter's Discovery

About ten years ago, Peter Murray of Malagash was living his simple existence on a fertile farm, that stretched across the peninsula from Tatamagouche Bay to the shores of the Northumberland Straits. It was a scattered farming community, more of a countryside, than even a hamlet. Peter Murray was digging a well when he noticed the water was salt.

"That's from the sea," said Peter Murray, as he measured the short distance that he had located his well from the shore.

But a shrewd Scotch instinct led the well digger to have another taste of that water He told his neighbors about it. Some laughed at Peter Murray trying to "bail out the ocean," while others said:

"That's too salt for the ocean—mighty funny where it comes from."

Very soon speculation about the water in Peter Murray's well led to some definite investigation, and as a result samples of the water were sent to Ottawa for laboratory analysis. The result of that was to prove that the water did not come from the ocean, but from a source that may contain more salt than if the waters of the whole North Atlantic evaporated and left its sediments upon the ocean bed.

A. R. Chambers of New Glasgow came upon the scene. The Murray farm was purchased, together with some adjoining properties, and surveys made in earnest and the result of those surveys so far has been to prove that the whole peninsula of Malagash is a salt bed nine square miles of natural product the world demand for which never ceases.

Nine Square Miles Salt

"How long will that deposit last out high pressure production?" was asked one of the directors of the company recently.

He replied by drawing a comparison with a coal mine.

"Do you know," said he, "that the Albion coal mine in Pictou County has been working for fifty years, and not more than a square mile has been dug out?

"Take that," this man continued, "as your basis, then it will be 450 years before our nine square miles of salt are worked out.

"You and I won't live to see the end of it, that's sure," the director concluded.

There is an ancient admonition, "Speak to the earth and she shall teach thee."

Unfortunately the people of Nova Scotia have not been on sufficiently good speaking terms with the earth of their native province, else there might be a very different story to tell of the industrial and commercial conditions of this province to-day. It seems strange in view of what research has accomplished in other countries, that the Government and people of this province for years should have allowed the salt lake near Oxford, not far from Malagash to have existed, and never made a thorough inquiry as to why the lake should be salt instead of fresh.

It seems strange, that in a country, where the fishing industry was one of the fundamental industries of the people and demanded first of all that there should be an accessible supply of salt, that it should have been left to Peter Murray to dig his well.

However, there is now a group of men who are speaking to the earth in a most emphatic manner at Malagash, but before we visit the scene of the mining operations, let us look back over the history of salt, and then we shall be better prepared to appreciate what Malagash means, and will mean in the life of this province.

At Malagash Mine

If one visits the mine to-day one finds a well-equipped mining shaft beside which are piles of rock salt, and drifting over the ground, like snow, the fine powdered salt that is coming from the crusher near the shaft. Adjacent to the mining operations there are rapidly rising to completion, the buildings for evaporation, and besides these buildings the big vats are being built for the dissolution of the salt into brine, which in its turn will enter the evaporator to be reconverted into solid salt, but purified of the least foreign substance which it may contain.

But it is to the mine itself that one must go to obtain some real impression of what it is to mine salt. And it is more than incidental that it should be mentioned the Malagash salt is produced by the only salt mining operations in Canada. Salt is found elsewhere in the Dominion, Ontario for instance, but there it is produced by pouring water upon the deposit and pumping out the brine.

Dry Corridors

Here in Malagash one drops down a perpendicular shaft, to a two hundred foot level, and steps out into corridors that are as dry as the hall ways of one's own house. From that two hundred foot level, one may walk or climb to a one hundred foot level, where the first production was carried on; or to the 200 foot level, and the 260 foot level. The operations are ever going deeper. In fact Malagash is only scratched to-day.

And just here it is of interest to note that while the indications of potash are so definite at a short distance from the surface it is not likely, according to geologists that it will

(Continued on page 30)

Brochure is Compiled of Nova Scotia Products

A further step in the campaign to bring about the industrial development of Nova Scotia and the increasing of the demand for "home-made products" has been taken by the Department of Natural Resources in the compiling of a "Directory of Products" manufactured in Nova Scotia. The purpose of this Directory, thousands of copies of which will be distributed free, is to advertise Nova Scotian industries and goods at home and abroad and to survey the manufacturing industries of the Province.

The Directory has been prepared with the greatest possible care and all products manufactured in the Province, as well as the different firms manufacturing these products, will be listed in the Directory. The Directory will list the different commodities alphabetically and under each different head will be given the names of the several firms manufacturing that product.

Halifax Forges Ahead With Business Revival

Number of Steamers Entering Port Shows Increase—New Storage Plant and Immigration Quarters to be Erected—Coal and Metal Mining Has Had Satisfactory Year and Development of Gold Mining Area is Little Short of Phenomenal.

There has been a revival of business activity in Halifax this year. During 1925 and 1926 the level of business was considerably below that now prevailing. Business on the Halifax waterfront is undergoing improvement and the number of steamers entering the port and the tonnage of freight handled through the port shows an increase this year.

The prosperity of the city is dependent largely, of course, on the development of the natural resources of the whole province, and while conditions in the fish industry are still unsatisfactory, yet the farmers are having a much improved year and the lumber business also has experienced some betterment. Thus, to-day, business in Halifax is generally brighter than it was a year ago.

Industries Improve

Some of the Halifax industries have also felt some little improvement, but not very much as yet, from the carrying out of a few of the recommendations made in the Duncan Report.

Several factors combine to make Halifax business men optimistic. A new cold storage plant, new immigration quarters, fumigating plants, and other necessary improvements, are to be added to the terminal facilities of the port. Then there is the proposed re-establishment of the Provincial Exhibition in the city, which will require the erection of new buildings at a cost of some $400,000, to replace those destroyed in the 1917 explosion. The erection also of the Lord Nelson Hotel and the Canadian National Hotel, will provide much construction work and promises a busy year for the building and associated trades.

Moir's, Limited, of Halifax, have completed recently a $400,000 addition to its plant, which will increase its capacity by some 50 or 60 per cent. The Halifax shipyards have had a fairly satisfactory year.

Good Mining Year

Other indications of the betterment in the city may be judged from the fact that life insurance sales in the province and in the city have increased largely over those of 1926. Tourist travel this summer showed a 50 to 60 per cent. increase as compared with 1926, and in this improvement Halifax has benefitted very largely indeed. Coupled with this, the mining industry, including both the coal and metal mines, is having a satisfactory year. The development of the gold mining area is little short of phenomenal.

From an economic and business angle, the City of Halifax is strategically located, for it is the capital of the province which has the largest per capita annual production value in natural resources. Then, the city has one of the finest natural harbors in the world, with only a four-foot tide. In addition, the city's harbor facilities have been, and are being, steadily expanded, and the vigorous action of the Board of Trade of the city over the past few years to obtain more traffic through its port, is achieving its desired ends.

Halifax fully realizes that a large proportion of Canadian exports will always flow out, and, indeed, must always flow out, via the St. Lawrence route, but Halifax asks only what is her right—namely, the flow of Canadian goods through Canadian ports in winter as well as summer. In the winter months, naturally, Halifax stands to gain more and more by the better public realization of the merits of such a policy by the remainder of the Dominion.

Promises Not Kept

Both Halifax and Saint John at the time of Confederation were promised that Canadian exports would flow through Canadian ports. This promise has never been carried out, despite the fact that it has been affirmed and reaffirmed times without number since Confederation. However, largely owing to the activities of the boards of trade of the two leading Maritime ports, there is a better realization in the rest of the Dominion of the need for routing Canadian exports through Canadian ports. This realization is leading to definite action along these lines, and for the future it can be anticipated that more Canadian traffic will be routed through Canadian ports. A truly national policy demands such action.

Halifax is 700 miles nearer to European ports than is New York, and is located but 60 miles from the regular track of the north Atlantic liners. It is rather interesting to note that Halifax is nearer Rio than New York; in fact, this applies to all South American ports, and the strategic advantages of such a location are obvious. The port charges at Halifax are the lowest on the Atlantic seaboard, and cargo-handling equipment compares favorably with that of other Atlantic ports. Ships the size of the Olympic dock at Halifax without the aid of tugs, and steamers enter and clear from the harbor at all hours of the day or night.

The city has steamship connections to all the principal ports of the world, with a fast freight service to Montreal of only 70 hours. The shortened sea distance is attractive to passengers.

Among its industries, Halifax has the largest steel shipbuilding plant in Canada; the largest oil-refining works; the largest sugar refinery, and numerous other substantial industries, including paint works, rope works, bolt and nut works, fertilizer works, confectionery and biscuit factories, clothing factories and wood-working plants. Its manufactured products annually are valued at well over $20,000,000.

The city is the Atlantic terminal of the Canadian National Railway, and, in addition, is the terminal of the Dominion Atlantic Railway, which is a C. P. R. subsidiary, serving only the Province of Nova Scotia.

Port of Call

There is direct steamship connection between Halifax and Newfoundland, St. Pierre, and Miquelon Island, as well as 15 postal services serving the provinces of Nova Scotia, New Brunswick and Prince Edward Island. Transatlantic steamship companies, such as the Anchor-Donaldson line and the Baltic-American line, use Halifax either as a terminal or as a port of call.

Halifax was founded in 1749 and is the oldest British city in the Dominion. The city was laid out by its military governor and, in 1758, became the headquarters of the British navy. A dockyard was built which is surrounded by romance because of its connection with many wars. The strategic position of Halifax as a naval base was amply demonstrated during the Great War.

The fortifications of the harbor consist of seven modern forts surrounding the city. The institutions of learning in the city are noted throughout the Dominion for the graduates they produce. The city is the seat of Dalhousie University. The Halifax Medical College is affiliated with the University, as is also the University of King's College.

The growth of the port of Halifax is well evidenced in the statistical figures, which show that the tonnage handled by the port has doubled in the last seven years:

Port and Other Figures for Nine Months Ending September 30, 1927, Compared With Same Period for Years 1924, 1925 and 1926

Bank Clearings—			
1924			$107,741,679
1925			111,759,004
1926			111,487,524
1927			116,281,274
Exports—			
1924			$ 22,691,806
1925			20,409,237
1926			22,628,807
1927			23,974,912
Imports—			
1924			$ 13,412,314
1925			13,254,550
1926			13,293,387
1927			14,681,512
Customs Receipts—			
1924			$ 2,102,443
1925			2,533,790
1926			2,415,478
1927			2,556,461
Shipping Tonnage—			Tons
1924			5,550,928
1925			9,522,256
1926			8,498,554
1927			8,150,738
Building Permits—			
1924			$ 672,394
1925			969,799
1926			637,772
1927			1,363,860
Failures (Nova Scotia)—	No.	Assets	Liabilities
1924	49	$146,300	$610,537
1925	63	171,530	591,323
1926	54	219,530	832,710
1927	43	196,588	541,510

Ship Via St. John

A British Port Open All the Year

ROUTING your incoming and outgoing freight through Canadian ports is more than a patriotic duty. To route your goods through St. John, eastern terminus of the Canadian Pacific Railway, is to take advantage of a unique combination of excellent shipping and transportation facilities, an ice-free harbor; good terminal connections with two transcontinental lines; generous berth and warehouse space; a modern dry dock that is the largest in the world, and freedom from labor problems, that will all serve to speed up your business.

Manchester, Robertson, Allison, Ltd.

The Maritimes' Largest Dry Goods House

St. John, N.B.

High Tide in Halifax

TWO great tourist hotels are under construction in Halifax—one for each of the great railway systems of Canada. That insures the immediate prosperity of the City—and shows what leading experts think of its present and future prospects.

While important, these projects are only part of the expansion program that is making Halifax pulse with life. Moir's seven-story factory, a huge cold storage plant, a great exhibition building, new from the ground up—payrolls are going to be big, spending steady all during this Winter.

Reach the rich Halifax and Nova Scotian markets through the papers with the largest night and morning, city and province circulation — A.B.C. audited.

The Halifax Herald
and
The Evening Mail

Largest A. B. C. Net Paid Circulation

Future is Promising for Coal Industry in Nova Scotia Ore

Mining is in More Healthy Condition at Present Than It Has Been Since Post-War Slump of 1920-21 — Larger Demands Are Likely

The coal mining industry in Nova Scotia is in a more healthy condition now than it has been since the post-war slump of 1920-21. The future of the industry looks more promising than it has done for years and new uses for coal and improved methods of preparing the coal for the market seem to indicate a larger demand for this great natural resource of the province.

The modern trend for industrial use seems to be towards pulverized coal and Nova Scotia's coal is well adapted to this use. Canada is abundantly endowed with water power resources, but hydro electric power, because of its development on a cost per horsepower basis can never supplant the use of coal for steam raising in the average industrial plant. This, together with the fact that more efficient uses are being made of coal, indicate that perhaps the Nova Scotia coal industry may yet experience the prosperous times which, for some years now, appear to have been only a memory of the past. The world appears to have entered an era marked by a greater use of coal and while Nova Scotia pithead costs must always be higher than those now prevailing in West Virginia, yet Nova Scotia undoubtedly has an economic era in which it can market coal to advantage.

The Nova Scotia coal deposits lie on the east and west shores of Cape Breton Island and large inland areas are located in Cumberland and Pictou counties. The most productive area is that in the vicinity of Sydney where the outcrops parallel the shore. These deposits are the only coal deposits on the Atlantic seaboard of North America. They are virtually in the sea. The outcrops occur a short distance from the shore and dip gently out under the sea floor.

In Sydney, for many years now, coal has been mined from submarine workings and in the future the greater proportion of the production will come from beneath the waves. Some of the collieries are now mining coal two miles out from the shoreline and over half the coal raised in Sydney comes from these submarine areas. This introduces interesting problems in the future development of the Nova Scotia coal areas. The dip of the seams is gentle, and therefore, the limit under sea mining will probably be determined by roof pressure rather than by other factors.

The seams now being worked run from 4 to 8 feet in thickness, although in some of the Pictou county mines the seam is from 25 to 35 feet wide. Mining has been carried out to a depth of over 3,000 feet but the cost of recovering coal from this depth has usually proved to be too high under present market conditions.

F. W. Grey, assistant to the president of Besco and one of the outstanding authorities on coal and coal mining in the world, says in part regarding undersea mining in Nova Scotia:

"There is no essential difference between the winning of coal from beneath the sea and winning from beneath dry land, except that undersea mining must be so conducted as to avoid letting in the water of the sea. In regard to the actual wetness of colliery workings it may surprise many to learn that submarine workings, especially at points distant from the shoreline and deep below the sea-bottom, are unusually dry. There is little underground water in strata under the sea.

"The technical difficulties of mining coal under the sea arise from the fact that the shoreline provides the last possible point for the entrance of fresh air and motive-power, and the extension of mine workings under the sea (where the coal-seams continue uninterruptedly seawards) is limited by the possibilities of long-distance transmission of ventilating air-currents and of motive power.

Four Miles Under the Sea

"The farthest distance from the shore-line at which coal has so far been worked under the sea is on the west coast of England, where workings extend four miles from shore under the sea. With this exception, the submarine collieries in the Sydney coalfields are more extended under the waters of the ocean than any coal mines elsewhere. This coal field, definitely proven by working collieries over a shore frontage of thirty miles, has been followed seawards for varying distances up to 2¼ miles from shore, and the projected extension of existing collieries contemplates working to distances of four miles or more. The greatest depth of strata between coal seams now being mined and the floor of the sea is about 1,500 feet. A depth of 2,300 feet below the sea floor has been attained in undersea workings at the Inverness Colliery off the west shore of Cape Breton Island, and under the waters of Sydney Harbor, New South Wales, a depth of over 2,800 feet has been attained below the sea floor. Much greater depths have, of course, been reached in coal mining under land areas. At the Springhill Mines on the mainland of Nova Scotia, coal is being mined at a depth of 3,000 feet, and in Great Britain and Europe, coal mining is being carried on at depths exceeding 3,500 feet. It is clear, therefore, that the present maximum depth of 1,500 feet below the sea in the Sydney field is not anywhere near the limit of mining occasioned by weight of overhead strata. In this connection the occurrence of coal under the sea as compared with its occurrence under land occasions no difference, and there is no reason why coal mining under the sea in the Sydney field should not proceed under very much greater depths than are now in sight.

"The Sydney field is a continuous sheet of coal seams extending indefinitely seawards, the seams being inclined at about six per cent. with the sea bottom falling about two per cent., so that, roughly speaking, the depth of rock over the coal seams increase some 250 feet per mile of advance seawards from the shore.

In Other Countries

"In other undersea coalfields the conditions are much less favorable to seaward working of coal. In two instances, one in New South Wales and the other on the East Coast of England, the coal seams rise under the sea to meet the falling sea bottom, thereby limiting the distance that coal can be mined seawards. In other instances, such as in Japan, the coal seams descend so steeply under the sea that they quickly become too deep for mining.

"In the Sydney field, however, the seaward inclination of the seams is so gentle, and the strata are so regular and free from dislocations, the coal seams so spaced in the strata, and the seaward character of the coal so well understood because of extensive land workings, that the field gives every promise of being the most profitable and longest-lived undersea coal-winning in any part of the world.

"At the present date eleven collieries are extended under the sea in the Sydney field with aggregate daily output of 16,000 tons, and the future will see not only large extension of the collieries, but the development of a number of new collieries having an entirely submarine development.

"With slight exception, the existing undersea collieries are extensions into submarine territory of collieries originally designed to work land territory, and the seaward extension of such mines is limited by this fact. The newest colliery of the Dominion Coal Company, No. 1B Colliery, is designed for undersea winning, and is, at this date, probably the most advanced example of mining engineering having this object in view.

For Half a Century

"The length of life of mines of this kind is very great. The Princess Colliery of the Nova Scotia Steel & Coal Co. entered submarine territory 50 years ago, and has an indefinite life before it yet. The Caledonia Colliery of the Dominion Coal Co. entered the undersea area 23 years ago, but the mine itself is over 60 years old. It also has an indefinite life in submarine workings.

"The newer colliery referred to, No. 1B, is really a new opening prolonging the life of a colliery sunk in 1830, and there is reason to believe that this new shore mine will be mining coal 150 years from this date, and possibly very much longer.

"The collieries of the future, designed to mine remote submarine areas of coal, will doubtless be as great an advance upon No. 1B Colliery as it was under its predecessors, and some of the features of these future collieries can now be forecast.

"As the last opening at shore in a submarine colliery is in truth the neck of the bottle which governs both the admission of air and power and the outputting of coal, and, what is most important of all, the ingress and exit of workmen, it is necessary that the shafts or other openings at shore shall be very large, and that the transport-ways opening off these openings and penetrating into the undersea areas—which may conceivably extend eight to ten miles from shore—shall also be large and equipped with fast haulage of large capacity. An entirely novel set of standards will be set up in the future mining of undersea coal, and it is no exaggeration of fact to anticipate in the Sydney coal field the classic example of the practice of winning coal from under the ocean, because the deposit presents exceptional opportunities for development of this special branch of engineering.

"Other Canadian examples of coal mining under the sea include the Inverness coast of Cape Breton Island, where a seam of coal seven feet thick, dipping 55 degrees seaward is being mined at a depth of 2,300 feet at a distance of a mile from shore. This recital may seem bald, but is equivalent to stating that coal is being successfully won in this locality under conditions of quite unparalleled difficulty, reflecting much credit on local practice.

Peculiar Problems

"The submarine miner is called upon to interest himself not only in all the usual problems of mining, but in such matters as coast erosion, the nature of the strata along the sea bottom, their contour, the presence of clays and sands, of the possible presence of holes in the sea floor filled with sand or other pervious matter; and it is necessary, for safety, to carefully survey the sea bottom, and to establish the depth of water by soundings and cognate methods.

"Of a total of some 13½ million tons of coal now being annually mined from beneath the sea in various parts of the world, 6,600,000 tons is mined in Great Britain, 3,900,000 in Canada, and 200,000 tons in Australia, making 10,700,000 tons for the British Empire. In Japan, 1,500,000 tons is mined annually from under the sea, and in Chile, 1,200,000 tons, or virtually the entire annual output of that country, comes from under the sea.

"It is worthy of note that as undersea coal mining was first attempted in Britain, and is at this time most widely practised in that coal-girdled island, so has undersea coal mining in all parts of the world been originally attempted and developed by British engineers. To those interested in tracing such developments it is significant that the names of coal seams and collieries in Durham and Northumberland are to be found repeated in Canada and Australia, and that the nomenclature of the miner in these overseas collieries is even to-day reminiscent of the North Country of Britain.

"It is also significant that the mining of coal at tidewater, associated as it must be with a maritime situation, is also associated with naval eminence, and that the names of Britain, Japan, and Chile are not merely coincidence when cited in both connections. It is not too much to hope that Canada also may share in this association.

"The coal seams of Nova Scotia were the first discovered on the continent of North America. The garrison in Halifax warmed itself with coal from Cape Breton Island through the long winters, long before the coal deposits of Pennsylvania were known to exist. Beds of coal were easily visible in the cliffs on the eastern shores of Nova Scotia, but were not mentioned by Champlain in the report of his survey of this section in 1607. They must have been known at about this time because Nicolas Denys, who at one time had a concession of this whole area, mentions them in 1672, in a very matter-of-fact way. He evidently prepared to mine the coal because he requested and was given the right to exact a duty of twenty sous per ton in 1677. At the beginning of the seventeenth century it was well recognized in both England and France, that there were valuable coal deposits in Nova Scotia or 'Acadia,' as it was then called.

"After the establishment of the military garrison by the English, at Halifax, in 1749, about 3,000 tons a year were mined and distributed to this post and to the French fort at Louisburg as well as selling a small amount to New England. At this time Cape Breton Island belonged to the French and did not come into English possession again until after the Treaty of Paris in 1763. The first thing which Great Britain did on assuming ownership was to make a complete survey of the Island. Numerous applications were made at this time for leases in the coal areas, but they were refused for nearly twenty years. It was necessary to station a detachment of troops there to prevent pilfering from the outcrops.

"After the American Revolution, Cape Breton was administered as a separate colony for a time and the governor was allowed a royalty of three shillings and sixpence a ton as a perquisite of this office. The mines were worked in a desultory and slipshod manner, at times by the government, and at other times by private operators. There could have been but a small profit for private enterprise when it is considered that the selling price in Halifax was fixed by law at from ten to thirteen shillings a ton. The conditions under which the miners lived and worked were the worst imaginable.

A New Area Discovered

"In 1798, a new coal area was discovered on the mainland of the province in Pictou county and thus the value of the mineral deposits of Nova Scotia was much enhanced.

"The struggle between royal prerogative and the democratic rights of the people in respect to the exploitation of minerals, was fought out about the middle of the 19th century in Nova Scotia. The title to all natural resources, such as timber and minerals, was reserved to the Crown. In 1825, King George IV granted to his brother, the Duke of York, all the mines and minerals in Nova Scotia. This gentleman, heavily involved in debt, was forced to transfer these rights to his jewellers, Rundell, Bridge and Rundell. It was believed that there were valuable deposits of copper to be worked, so the General Mining Association was formed in London for this purpose. The mining expert who was sent out to report on the prospects returned and advised against any copper mining, but recommended that the coal deposits be opened up.

"This was accordingly done according to the best English practice at that time. Mines were opened near Sydney on the eastern shore, and in the neighborhood of Pictou on the mainland of the province. The company built and operated the first steam railroad in Canada in 1839. It was enterprising and progressive and strove to supply a high grade picked coal to Nova Scotia and the eastern portion of the United States.

A Monopoly is Charged

"The people of the province were delighted at first, with the entrance of a powerful group of financiers to develop the mineral resources, but soon afterward began to grumble and complain about the concern as an undesirable monopoly. The Provincial Assembly acted on the numerous plaints and in 1845 sought the advice of eminent counsel in England regarding the legality of the title of the General Mining Association. It was told that there was no doubt about the regularity of the leases. In 1849 the Crown released all its reservations to the Provincial Government, which enacted legislation to the effect that the association must give up its title to a mineral deposit that was not worked within a year after some other person had applied for it. After much wrangling and discussion, two leading members of the House of Assembly were delegated to negotiate with the officials of the association for a compromise of their title. A satisfactory agreement was reached whereby the association was given the incontestable right to mine coal in over forty square miles in different parts of the province on condition that they surrender the rest of their mineral rights to Nova Scotia. Thus the principle was established in 1858 in Canada, that mineral wealth belongs to the people as a whole and can be licensed by them, through the legislature for protecting or leased for operation as they deem fit and proper.

Civil War Demand

"There ensued a period of unrestricted competition in output and sales. There was no duty on coal going into the United States and a considerable trade was developed with that country. The Civil War produced a brisk demand and the output was more than doubled in four years. There were many small operators mining easy coal from the outcrops and the prices secured were not high enough to return a very high profit in the local market. Then came a slump at the end of the war in the United States, together with the abrogation of the Reciprocity Treaty and the imposition of a duty on imported coal. However, the production continued to increase steadily with larger consumption in the Maritime Provinces and the opening of the market in Quebec.

"The competition among the many small collieries was of the keenest order and few of them were making much money. The coal was being mined in a careless and wasteful fashion and the economical advantages of a merger were evident. In 1892, Mr. B. F. Pearson effected a combination of most of the collieries in the Sydney district outside of those of the General Mining Association. United States capital financed this venture, and thus the Dominion Coal Company was formed. It secured nearly eighty square miles of coal areas and a special 99 year lease on consideration that it pay a royalty of twelve and one-half cents per ton.

"This company began an extensive development of the coal deposits at once and tried to stabilize the production. The market along the St. Lawrence river to Montreal was vigorously attacked and large amounts of coal were banked in Nova Scotia during the winter so that steadier employment would be furnished for the miners. The tonnage from the mines kept on expanding, higher wages were paid, housing conditions improved, and the whole industry took on new life and importance.

"The need for a larger and steadier consumption of coal was apparent and consequently a corporation was formed for the manufacture of steel in Cape Breton. There were enormous deposits of iron ore at Tidewater, a few miles away in Newfoundland, and all the factors for cheap production of iron and steel seemed present. The Dominion Iron and Steel Company proceeded to erect a large modern steel plant at Sydney, which has consumed enormous quantities of coal from the adjacent mines continuously since that time.

The Steel Industry

"The process of combining the mines and industrial plants into larger and larger corporations has gone on from time to time. The Dominion Coal Company and the Dominion Iron and Steel Company were merged into the Dominion Steel Corporation. This concern then acquired the large coal mines of the Cumberland Coal and Railway Company in Springhill. The Nova Scotia Steel and Coal Company, a rival concern which had been built up by an enterprising group of Nova Scotians, secured the rights of the General Mining Association and grew to large proportions. It absorbed also the Acadia Coal Company in Pictou County, but after the Great War it was joined with the Dominion Steel Corporation in the British Empire Steel Corporation.

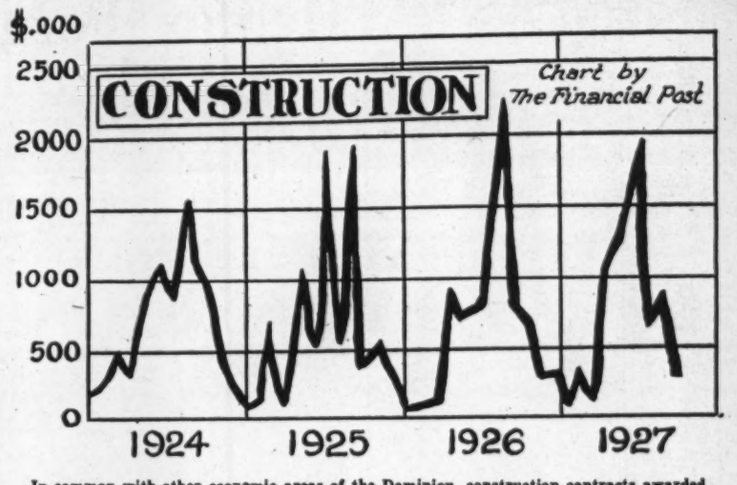
"This company now operates nearly all the important coal mines in the province. It has a steamship line, limestone and dolomite quarries in Nova Scotia and Newfoundland, the enormous deposits at Belle Island in Newfoundland, and is one of the largest industrial concerns in Canada. Over 14,000 employees find a place on its payrolls and one-fourth of the people of Nova Scotia are dependent on its activities. The company has passed through a trying time during the last five or six years and the immediate future of the industrial organization as a going concern, is not clear at present However, the great coal deposits of the province constitute a wonderful asset and the need of coal and steel guarantee a continuance of activity under some satisfactory management. The growing consciousness throughout Canada that some national fuel policy should be formulated and carried out promises much for the future of coal mining in Nova Scotia.

"The coal seams occur on the east and west shores of Cape Breton Island together with large inland areas in Cumberland and Pictou counties. The largest and most productive district is that in the vicinity of Sydney where the outcrops parallel the shore from Cape Dorien to Cape Dauphin. Their location is of great strategic importance because they are the only coal deposits on the Atlantic seaboard of North America. They are virtually in the sea, because the crops are only a short distance from tide level and the seams dip gently out under the sea bottom. For many years coal has been won from submarine workings and in the future the greatest part of the production will come from underneath the waves. Some collieries are now over two miles out from the shore line and over half of the coal raised comes from submarine areas. This introduces difficult and interesting problems for the future. The dip of the seams is so gentle and regular (from 10 deg. to 20 deg. usually) and the strata so little disturbed that the limit of undersea mining will probably be determined by other factors.

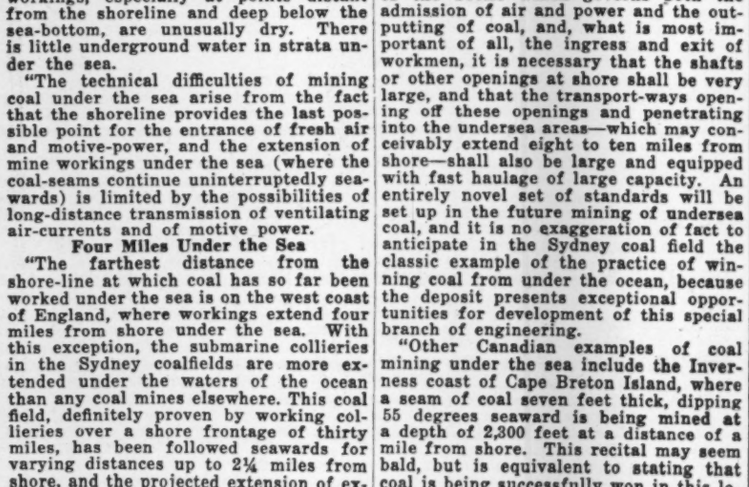
Most of the seams that are now being worked run from four to eight feet in thickness, although one seam (Ford) in Pictou County runs from 25 to 35 feet thick. Workings have been carried out to a depth of over 3,000 feet vertically, but the difficulties of recovering the coal from this depth have usually proved to be uneconomical under present market conditions.

In Healthy Condition

"At the present time the coal mining industry in Nova Scotia is in a healthy and flourishing condition. The future also looks very promising. New uses for coal and improved methods of preparation and firing seem to point to a larger demand, even in view of the greater economies of utilization. Nova Scotia coals have proved to be especially well adapted to fine pulverization. The province should never lack for oil supplies with its great resources of high grade oil shale and the successful application of the Bergius process to bituminous coals. The new era that is now developing in the better and wider uses of coal should give Nova Scotia a greater prosperity based on its large deposits of coal with their unique location."



In common with other economic areas of the Dominion, construction contracts awarded in the Maritimes this year have been on the upgrade. A favorable feature of the situation is the manner in which values have fluctuated less widely than in previous years.



The trend of insurance sales in the Maritime provinces has been steadily upward. The amount written in the first nine months of 1927 is the greatest on record, and final figures for the year will undoubtedly set a new record.

Further Paper Mills Erected in Maritimes

Pulp and paper matters have come very much to the fore in the Maritime Provinces lately. The International Paper Company, is is understood, proposes to establish a mill at Dalhousie, New Brunswick, as a sequence to its development work at Grand Falls. Plans for the erection of a large sulphite mill in Cape Breton and for the establishment of a paper mill near Liverpool, in Nova Scotia, are before the provincial Government at the present time.

The Fraser Companies is engaged in doubling its output and the Bathurst Company will double its newsprint capacity by next May. Plans are underway also for a mill on the Avon River.

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People of Maritimes Are Misunderstood is Impression Gained

Aver That Central and Western Canadians Do Not Realize Real Handicaps Under Which Eastern Provinces Labored During Past Six Years

By RIELLE THOMSON,
Eastern Editor, The Financial Post

While the Duncan Commission has come, has seen, and has made its recommendations to the Federal Government regarding the treatment which should be accorded the three Maritime Provinces by the rest of Canada, and while only a minor proportion of these recommendations have been implemented, Maritimers themselves feel that the attitude of the Maritimes is still somewhat misunderstood and feel that the more prosperous sections of Canada in part regard the Duncan recommendations as a sop to a section of the country which has not been experiencing the good times which have prevailed elsewhere. It is felt in the Maritimes that central and western Canadians perhaps do not realize the real handicaps under which the Maritimes have labored during the past six years.

To put the hypothesis more briefly: the Duncan Commission's recommendations were in no way a political sop handed out to the Maritimes, but were a definite attempt to compensate the Maritimes in part for certain rights to which they were entitled and which they have not obtained since they joined with the other six provinces in that confederation now known as the Dominion of Canada. In other words, Confederation was a pact which, as far as the Maritimes are concerned, has not been wholly kept.

Economic Handicaps

A comment very often made on the Maritime situation is that the Maritimes labor under economic handicaps which no legislation can possibly overcome. Maritimers realize this, and they have not, and do not ask for any legislation to alleviate conditions which cannot be overcome, but they do ask that as members of Confederation they receive the treatment from the remainder of the Dominion which has been steadily promised them ever since the days when the Fathers of Confederation foregathered and worked out their great plan of union.

It is worth while, therefore, to note a few of the chief points on which the Maritime Provinces deserve consideration. These points have all been considered by the Duncan Commission and recommendations have been made, which as yet have not been fully implemented.

The Maritimes joined in Confederation only on certain definite understandings. They were in a minority, but they had the outlets to the sea which the rest of the country so badly needed, and they realized that such a confederation would place the Maritimes under certain disabilities. Therefore, in joining the other provinces, they demanded, and were promised certain advantages in exchange for the privilege which they lost by joining the confederation union.

The quid pro quo offered the Maritimes at that time were many and varied. They are not included in the British North America Act, which is usually regarded as the constitution of the Dominion, but which in reality was merely the enabling act passed by the Mother Parliament to enable the provinces to join together.

Details of Bargain

The details of the bargain of Confederation were arranged in the various conferences of statesmen who negotiated and finally consummated the union of the colonies.

Perhaps the two chief promises made to the Maritimes were the construction of the Inter-colonial Railway and the decision to send Canadian products through Canadian ports. These two promises may be regarded as a solemn undertaking on the part of the remainder of the Dominion.

These promises have been carried out so poorly that only one third of Canada's grain crop flows through Canadian ports and only a very small proportion of this flows through the Maritime ports—the remainder going overseas via Montreal or Quebec.

The natural flow of trade from the Maritimes is south or overseas, and owing to the fiscal policy of the Dominion much of this export trade has been lost and the Maritimes have obtained no corresponding benefit from shipment through their ports.

Thus to-day, the Maritimes demand that the ports of Saint John and Halifax be nationalized, not along the lines of ports on the great lakes, or smaller ports on the St. Lawrence, but along lines destined to permit of an ever-increasing flow of Canadian traffic through Maritime ports—that is, during the winter months. The Maritimes realize that during the navigable season, the St. Lawrence ports must naturally obtain the business.

Bad Treatment

There is little doubt that the Maritime Provinces have received exceedingly bad treatment in the Dominion's railway policy. The total cost of the Inter-colonial Railway was about the same as the total cost of the canal system. The railway was not to be regarded as a paying proposition, but rather as a canal which would change the natural flow of traffic from north and south to east and west.

For sixty years this promise was partly forgotten, and during the past few years when the Maritimes asked for freight reductions they always obtained the answer that the Atlantic division of the Canadian National Railways was not making money. Thus Sir Andrew A. Duncan recommended a freight rate reduction in the Maritimes which the government has put into effect.

It is not that the Maritime Provinces want cheap rates, but they feel that they are entitled to lower rates than those which prevail in other sections of the Dominion. There is no doubt that the case of the Atlantic Provinces is sound, for this policy has been affirmed and re-affirmed many times since Confederation.

Then again, the Maritime Provinces paid their share of the cost of the National Trans-continental, which was built from Winnipeg to Moncton to allow the more direct shipment of Canadian grain through Maritime ports. The Maritime Provinces paid their share of the building of this road, but the number of bushels of wheat routed by Northern Ontario direct to Quebec City and sent through Maritime ports to-day, is significant.

This is not all of the railway machination which the Maritime Provinces have had to bear. The Canadian Northern Railways, Mackenzie and Mann's fearful and wonderful dream, received tremendous government grants solely on the understanding that such aid was for the express purpose of encouraging the transportation of Canadian goods through Canadian channels.

Later, just before the war, those two far-seeing railroad builders "touched" the government for another $45,000,000, and at that time the principle of Canadian traffic through Canadian ports was re-affirmed.

Entitled to Concessions

It is hardly a cause for wonder, then, that the Maritimes feel that they are entitled to some railway concessions. In the matter of canals, also, the Maritimes have been handicapped. One example of this will suffice. It might be said that the St. Lawrence Canal would widen the market for Nova Scotian coal. To an extent, a small extent, this is true, for Nova Scotian coal could be shipped past Montreal. But on the other hand, this same traffic artery would permit American coal to travel and be used in the port of Montreal in direct competition with the coal produced in Nova Scotia. A large proportion of the coal used in Montreal at the present time comes from the States.

Nova Scotia realizes that the upkeep of the canals is harmful to her trade, but at the same time is willing to make sacrifices for the remainder of united Canada. Nova Scotia and her sister Maritimes, on the other hand, ask that Central Canada make certain sacrifices in return. The Maritimes pay their share of canal upkeep, but they are rather anxious to know just exactly what that section of Canada which profits from the canals is doing to help the Maritimes.

For the past sixty years these three Atlantic provinces have paid the fixed charges of railroads which were built in order to bring in immigrants, and in exchange for such payment, what have they received? The answer to the rhetorical question is "nothing." Between the years 1871 and 1921, the population of the Maritime provinces increased by about 14 per cent., as against an increase of 114 per cent in the rest of the Dominion. The proportion of the increase would be even larger if only Ontario, Quebec and the western provinces were considered in the latter total. Prince Edward Island to-day has a smaller population than it had before Confederation; when it had its own industries and was almost self-supporting it carried on a trade on all the seven seas. The Maritimes like to see the growth of the Dominion, but they only wish to pay taxes to assist this growth when they themselves will obtain some of the resulting benefits. Benefits have not been obtained either through increased trade or increased immigration.

From the foregoing, it appears that the Maritime Provinces pay an annual tribute on railways, on canals and for immigration without deriving any or few benefits therefrom themselves.

These three instances are specific; the Maritime Provinces have received shabby treatment along economic lines.

The three provinces were originally built up by what amounted to free trade. Their produce was shipped to every country in the world; Nova Scotia had an excellent shipbuilding industry and played no mean part in the world's ocean commerce. The mainstay of the provinces before Confederation was the same as it is to-day, namely, coal, fishing, agriculture and lumber resources.

These four natural resources are the fundamentals in the Maritime economic situation, upon which the prosperity which exists there is entirely based.

There are those in the Maritimes who to-day say that these provinces obtain no benefit from the present federal tariff. Such a sweeping belief is not supported by an examination of the facts, but there is reason to question whether the present schedules are in any way fair to the Maritimes. In other words, the Maritime provinces' tariff should be based not only on the needs of Central Canada and British Columbia, but also on the needs of the Maritimes themselves.

National Policy

They do not complain of the national policy, but they do complain when they consider that the administration of this policy bears more heavily on Nova Scotia, New Brunswick and Prince Edward Island than it does on the other sections of the Dominion. If this be so, the Maritimes deserve some added consideration. Let us consider their case.

One of the greatest natural resources of the three provinces is coal, with which may be included the steel industry.

Undoubtedly the tariff policy of the Dominion is of some assistance to the Nova Scotian steel industry. But what Nova Scotia feels is that the present tariff helps industries in Central Canada more than it does the steel and coal industry in Cape Breton, which, from start to finish, is an entirely British industry and differs from other Canadian steel industries which use United States coal and United States steel as their raw material.

The present tariff provides for the duty on steel rods, steel ingots, steel plates and other steel imports, but numerous exemption clauses provide for the drawback of the duty paid on steel which is used in certain specified industries. Upon examination of the imports, it is found that these specified industries cover a large percentage of the total steel imported. The Nova Scotian steel industry is a primary steel industry, producing products that can be imported duty free, or at low rates by other manufacturers who use such products as their raw material.

Nova Scotians then say "If we are to have a tariff, let us have one which will protect a great national and wholly British industry."

Coal Industry

Regarding the coal industry, Nova Scotia feels that not enough consideration has been given to her coal industry. For instance, there has been all sorts of talk of bringing Alberta coal by rail to southern Ontario. Nova Scotia coal can travel by water during seven months of the year; yet no effort has been made to open up this market for Nova Scotia.

In 1880 there was a duty of 60 cents a ton on coal, which at that time was supposed to be sufficient protection for Canadian coal. In 1897 a distinction was drawn between bituminous round coal and bituminous slack coal, the duty on the former being reduced to 53 cents and on the later to a maximum of 13 cents. Broadly speaking, the duty remained at these figures until 1925, when a strong deputation from the Maritime provinces succeeded in having the duty on bituminous slack increased to 50 cents, but to offset this, the province was compelled to accept a further reduction on bituminous round.

Thus, to-day the duty on coal is lower than it was in 1880—nearly fifty years ago. Yet in the intervening years the value of coal has increased enormously. One example will suffice. In 1897 pit head cost of coal in Nova Scotia was 75 cents a ton, in 1924 it was $4. During the same period the sales prices in the United States for pit head had increased from 81 cents to over $3.

On the ad valorem basis, this specific duty was decreased from 65 per cent. to 17 per cent. in the United States sale price. Specific duty for the purpose of protection is of little use unless it is established on an ad valorem basis. Cape Breton claims, therefore, that it is clear that in the tariff policy of the Dominion the needs of the Nova Scotia coal industry have received practically no consideration.

Because Nova Scotian products are largely sold in world markets, Nova Scotia, and indeed all the Maritimes, have paid duty or higher prices, in order to build up industries in Canada—but these industries have not been built up in the Maritimes, but principally in central Canada.

Nova Scotians say, therefore, that just because central Canada wanted cheaper coal and cheaper steel the national policy was allowed to go by the board in the case of coal and steel.

Fair Statement

It appears to be a fair statement that the treatment afforded industries elsewhere in this country has been decidedly better than the treatment afforded the natural and wholly national Nova Scotian steel and coal industry.

There are some who perhaps feel that the difficulties of the British Empire Steel Corporation, in reality the Nova Scotia steel and coal industry, have been due solely to management. This is not so. The difficulties of the corporation have not been due to watered stock, because no dividends have been paid on the watered stock. But the difficulties are entirely traceable to economic conditions. The corporation came into being on the crest of the economic wave in May, 1920. Immediately after its formation came the tremendous debacle of 1920-21 and the industries in Nova Scotia dropped into a position from which apparently they are just beginning to recover.

There is no coal operator in the world to-day who is making more than four per cent. on the investment. And this does not include any allowance for depreciation or depletion. In other words, the whole coal and steel industry throughout the world is in the doldrums. Would it be reasonable to expect that while every other coal operator is having a thin time, the British Empire Steel Corporation should be forging ahead?

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NEW BRUNSWICK HAS GOOD CLIMATE FOR TREE GROWING

Forests Cover Over Seventy Per Cent. of Its Total Area

The forests of New Brunswick cover over seventy per cent. of its total area. The climate is very favorable to forest growth, as the excellent balance of moisture and sunshine provide long growing seasons in which the tree seeds germinate quickly and trees grow rapidly. Planting has never been resorted to except in a few instances. All the valuable soft woods and hardwoods of the northeastern continental zone grow abundantly, so that, given some attention as to methods of cutting and protection from fire, the forest owner is assured of a steady annual crop from the forest.

Due to the strategic maritime position of New Brunswick with its harbors and intensive network of drivable streams, railroads and highway roads, making all areas easily accessible, both the cost of manufacturing and marketing wood products is reasonable. The products of the forest in the form of deal, dimension lumber, lath, shingles, pulpwood, pulp and paper, are sold in the United Kingdom, South America, West Indies, United States and Eastern Canada. New Brunswick ranks fourth among the provinces of the Dominion in both lumber and pulp production. The industry is again in a prosperous condition. Expansion continues, especially in portable saw mills, pulp plants, and hardwood factories. The further development of water powers is facilitating the growth of these industries.

The capital value of the industry at present is about $45,000,000 and the value of the products amounts to $25,000,000 annually. There are 224 saw mills, 5 pulp mills and 1 paper mill, 113 portable saw mills and 35 finishing mills.

In 1925, 147,869 tons of pulp valued at $7,499,460 were manufactured in New Brunswick, while the annual output of the saw mills is nearly half a billion superficial feet.

The species utilized consist mainly of the pines and spruces, of which there are three species of each, the balsam fir, cedar and hemlock. Pine has always been the most valuable species, with spruce leading in quantity production, but it has only been in recent years that such species as balsam fir have become valuable.

Hardwood Forests

There are also vast virgin hardwood forests in the province which have been scarcely touched. There are immense quantities of commercial birch, maple, poplar and beech, in the aggregate several billions of feet suitable for manufacture into railway ties, pulp, flooring, furniture and novelties. A keen interest is manifest in the hardwood industry at the present time. But the softwoods still provide an attractive source of raw material, especially for finishing mills to manufacture more completely wood products before exporting.

About 60 per cent. of the forest area is Crown Forest, bringing in an annual revenue to the province of over $1,000,000. These forests are protected and managed on a sustained yield policy so that the future productivity of the public domain may not be impaired, but rather, under steadily improving methods of management increase in value. Strict laws are in force for the protection of the forests from destruction by fire during the growing season; continued success is being encountered in preventing the immense losses of forest through fires so common formerly.

New Brunswick has not escaped from contributing its share towards forest fire losses. The great Miramichi fire of 1825, which occurred in October, did damage to the extent of $1,000,000 to the fine forests of the Miramichi valley as well as destroying considerable property and causing the loss of some 160 lives.

The Musquash and Lepreau fires of 1903 did not cause so much damage, but no doubt destroyed forever the prospects of one pulp mill at least within a few miles of Saint John city. It is true that the pulp mill at Fairville is operating, but the company is forced to go farther afield in order to obtain a wood supply. This is a direct loss to the ditsrict.

Forest Fires

In 1923 fires again visited New Brunswick, this time in the northern section where the damage amounted to over $2,800,000, and nearly 410,000 acres of the best spruce timber lands went along the smoke route from which there is no return. This was the worst year for forest fires in the history of the province as well as for the Dominion as a whole. It is estimated that enough spruce was destroyed in one block in Restigouche county alone to produce an annual revenue through stumpage of $100,000. This loss in 80 years, the time required for nature to replace the damage, would amount to $8,000,000, not considering compound interest and neglecting the almost certain rise in stumpage values.

Three-quarters of the area of the Maritimes, these provinces by the sea, is best suited for growing forests, and 65 per cent. of New Brunswick must continue to grow trees if it is to continue to produce a crop of any kind.

SIXTY MILLION TONS OF WHITE SALT ARE UNDERGROUND

(Continued from page 27)

be opened up in marketable quantities until the mine is many hundreds of feet deeper than it is to-day. The most they can say now, is that the indications of potash at the higher levels, are not only the only indications of potash yet found in the British Empire, but they are indications far surpassing anything that led to the discovery of the great deposits of that valuable mineral in other countries.

The entire mine is electrically lighted. One descends to the 200 foot level in a square box, with a capacity of holding four men standing erect and closely together. One steps from the box into a square chamber dug out of solid salt, where the temperature is about 45 degrees. From this chamber lead low vaulted passages strongly resembling the crypts of some ancient church. From these one passes into corridors where the ceilings rise to loftier elevations and the walls fall away into spacious Gothic arches, and spread into the chambers of such noble proportions that the likeness to some noble cathedral troubles one with a deep feeling of awe.

Production from the deposits began in 1918; and the first shipment was made in June, 1918 and 1919 and for eight years, the company was handicapped by having to ship their salt, a heavy material at any time by motor truck for eight miles over roads none too good, to the railway at Wallace. It was impossible to ship by water, for they had no shipping facilities where a vessel could dock. These hindrances to expansion are now removed —the railway is there, the docks are there; together with the warehouse and the conveyors. Incidentally, the conveyor for the salt from the warehouse to the steamers was constructed out of the rubber conveyor used in the conveyor shaft of the old grain elevator in Halifax, which was being torn down just at the time that the Malagash Company was preparing for the construction of its shipping facilities in Malagash.

This year's production will be about 15,000 tons, but it is expected that production will be increased to 30,000 tons next year. The markets east of Montreal are rapidly passing to the Malagash Company.

Large quantities of this product are being used in Montreal by ice cream plants. The fish firms of the Magdalen Islands are buying large quantities of it. There were five hundred tons in bags in the warehouse in Malagash awaiting shipment to those islands.

The selling problem to date has been the inability of the mine company to produce the lage quantities which are demanded by the trade; this because of the lack of transportation facilities from the mine.

All Sorts of Uses

It is almost inconceivable the purposes for which salt can be utilized. The fine white powder which we use as a condiment at our tables, is but one small purpose. Vast quantities are used by Nova Scotians in the fishing industry, and all the years that thousands upon thousands of tons of salt have been imported from the West Indies and elsewhere, Nova Scotia fishermen have been sitting almost on top of one of the world's greatest deposits. It is used for fertilizing fields, for killing weeds; for giving life to land, and experiments are now being made by railways to learn if it cannot be used to protect the railway beds from frosts, which cause so much damage to track, and danger to operation.

Enormous quantities of salt are used in the great paper industry of Canada, and already large shipments have gone to Quebec from the Malagash mines for that purpose. Salt is used in steel plants, and in fact there are few of the basic manufacturing industries of the country that have not a use more or less for salt.

It is because of the use of salt in the manufacture of chemicals that it has already been proposed, and it is by no means a chimerical proposal, that there be established at Malagash, beside the salt mines one of the great chemical industries of America.

One cannot visit Malagash without seeing the vision of things that are yet to be. If they do not, then they have a "blind life within the brain." It is not imagination, it is nothing more than practical, shrewd business to picture a prosperous industrial community spreading its factories, homes and institutions over the undulating fields of Malagash within a very few years.

And way down beneath, in the solitudes of earth's depths, the cathedral building will go on, every gothic archway, every vaulted ceiling, cut from solid walls of salt, will be a crystalized anthem of praise to the God of labor and commerce.

Prince Edward Isle Exports Record Number of Potatoes

Since October 25 there has been an increase of more than one hundred per cent. in the car loadings of potatoes in Prince Edward Island as compared with the corresponding period last year. This statement was made by W. U. Appleton, general manager Atlantic region, Canadian National Railways, who said that during the perod under review more than 700 refrigerator cars of potatoes had been loaded on the island.

During the corresponding period of 1926 the figure was 336 cars. Mr. Appleton also said adequate provision has been made by the Canadian National Railways to meet the heavy demand expected by reason of the excellent crop enjoyed by the potato growers of the island this year. Approximately 500 refrigerator cars are now assembled on the island, and the company is in a position to provide up to 1,500 of these cars during November.

Coal Output Over Normal in New Brunswick Area

Coal production in New Brunswick in 1924-25 was higher than normal because large quantities were shipped to Northern Maine to offset the shortage caused by the strikes then going on in the United States, and also because of shipments being made elsewhere because of abnormal situations created by strikes in Cape Breton.

The coal production of the province is not large and in 1926 the industry employed only 560 miners and surface men. The production figures over the last ten years follow:

1917	164,617
1918	229,617
1919	155,598
1920	135,297
1921	140,142
1922	238,878
1923	251,091
1924	186,879
1925	184,102
1926	152,837

APPLE ORCHARDS IN NOVA SCOTIA ARE FLOURISHING

Output Over Million Barrels Annually—An Attraction to Prospective Settlers

The apple orchards of Nova Scotia are what the orange and lemon groves are in California—a stable industry known far and wide and an attraction to prospective settlers.

Apple growing in Nova Scotia was introduced by the French in 1633. From a 20,000 barrel crop in 1880, the output has increased to some 1,000,000 or more barrels annually.

As yet, only about one-tenth of the whole protected Annapolis Valley area is under cultivation. The price of land there is from about $60 per acre to $200 for a six year old orchard and to $1,000 for one in full bearing. About 40,000 acres are now set out in apples.

Attractive to Immigrants

Apple growing in Nova Scotia should undoubtedly prove more attractive to the right type of immigrant for a full-bearing orchard of ten acres provides ample work for the settler and a fair living, but adjoining land for mixed farming is a comforting possession in any off year.

Geographically, the position of Nova Scotia as an apple country is excellent. Larger crops are being raised on cheaper land and being sold at better prices than in any other location in the Dominion. Selling costs are low, too. Transportation costs to Great Britain are particularly low. Rates to London favor the Nova Scotia growers by about $1 a barrel as compared with the British Columbia apple growers.

Bright Future

Fruit growing in the Annapolis Valley, Nova Scotia, has a bright future. Only a small portion of the available orchard land, less than 25 per cent., is planted with fruit trees, though the farmers in that area are increasing their orchards each year. Just what the future holds for the Nova Scotia apple growers depends in a measure on the efforts of the apple growers themselves. The farmers are keeping well up to the times and are showing a readiness to co-operate to the utmost for commercial purposes. Thus, further strides in marketing problems are being made.

The bulk of the crop is now sold in the ports of London, Liverpool, Glasgow, Manchester, Southampton and Hull by a highly organized system of distribution. As soon as the fruit is discharged from the steamers at these ports, samples are immediately selected at random and sold according to the samples. The fruit is sold by auction.

THREE CITIES ASK IMPROVED PORTS

The Eastern Coast Gateways Demand Fulfilment of Commission's Recommendations

The recommendations of the Royal Commission on Maritime Claims in connection with the establishment or improvement of port facilities at Halifax, Saint John and Charlottetown, and the building up of trade through those ports, followed by the decision of the Dominion Government to substantially carry out those recommendations, come very appropriately at a time when Canadians are looking confidently forward to a future that will be marked not merely with that spirit of co-operation that assures both the welfare of the whole and the welfare of each of its parts. Canadian trade for Canadian ports is a fine slogan, but it remains an empty slogan until those ports have been equipped to handle the trade.

Three Maritime Ports

To appreciate what those three Maritime ports may become in the future, it is well to remember what they have been in the past, and what they are today. As time is measured in this New World, and particularly in Western Canada, Halifax, Saint John and Charlottetown, are venerable towns. Halifax was one hundred and eighteen years old at the time of Confederation; Saint John eighty-two and Charlottetown one hundred and forty-two, its history running well back into the period of French rule. It was known in those days as Port Le Joie.

Halifax

Halifax was founded by Cornwallis and named after the Earl of Halifax, then President of the Board of Trade. The first settlers were brought out from England in 1749, and the following year it became the capital of the province. Its fortifications and its ancient buildings bring back memories of notable and stirring deeds by land and sea. One associates it with such famous Canadian names as those of Joseph Howe, Sir Charles Tupper, Sir John Thompson, Samuel Cunard, the founder of the Cunard Line of steamships, and Thomas Chandler Haliburton, one of the earliest and most original of Canadian novelists.

Saint John

After the close of the Revolutionary War tens of thousands of men who remained true to the British Empire, the United Empire Loyalists, abandoned their possessions and fled from their homes into exile. A large number of them sailed to the Bay of Fundy and founded the City of Saint John. They became the backbone not only of the town they created but also of the province of New Brunswick. Their descendants became notable builders and skippers of wooden ships, whose ensign was known in the ports of the seven seas.

Charlottetown

Charlottetown brings back memories of nearly a century and a half of history, events that took place in a field that was small but far from unimportant. Experiments in land tenure that were sometimes disastrous, French colonies, British absentee landlords, Selkirk's settlement, the arrival of hundreds of Acadians from Nova Scotia, the British conquest, and a century of peaceful development, including fox-farming.

To-day these three Maritime ports are on the eve of a period of steady progress. Equipped with modern facilities, as they will be before very long, the shrewd common-sense of their citizens may be counted upon to make them not merely local ports but essential parts of the commercial and transportation systems of the Dominion.

Pulpwood Industry Grows in New Brunswick Area

The progress of the pulp and paper industry in New Brunswick can be measured by the pulpwood cut in the province. The following figures show the the pulpwood industry is growing, that the exports to the States remain more or less constant, that the pulp and paper mills are increasing their consumption of pulpwood and that shipments to other provinces has increased:

N. B. Pulpwood Cut
(in cords)

	Used in N.B.	Exported	Total Cut
1924 ...	230,000	184,000	414,000
1925 ...	264,000	151,000	415,000
1926*...	270,000	160,000	470,000

*—In 1926 40,000 cords were exported to other provinces.

Nova Scotia's Industries

The following figures show clearly the progress made by Nova Scotia in 1926; the 1927 figures will show a still further betterment:

	1924 $	1925 $	1926 $
Fisheries .	9,600,000	10,750,000	11,750,000
Minerals and Mineral Products	44,000,000	40,720,000	41,523,000
Manufactures, etc.	60,276,000	58,420,000	55,000,000
Building materials, etc.	3,500,000	3,900,000	4,689,000
Farm Products, live stock	23,539,000	24,327,000	41,594,000
Forest products	11,945,000	14,500,000	14,500,000
Game, fish etc. ..	850,000	827,000	364,000
Tourist Travel ..	7,684,000	8,100,000	7,709,000
	161,428,000	161,544,000	177,129,000

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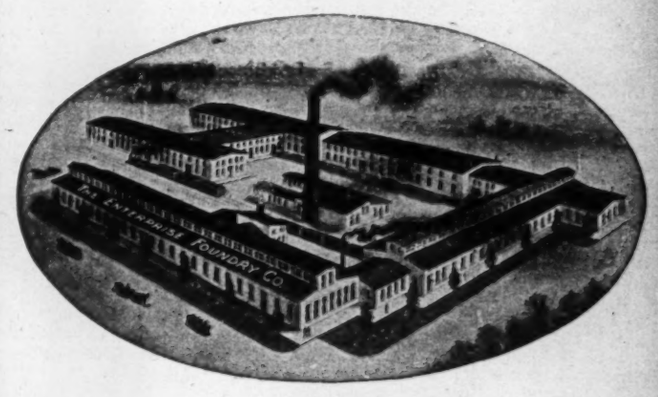

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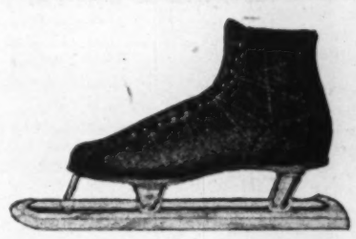
The Largest Output of Skates in Canada!



FROM a comparatively small output in 1864 up to the largest production of skates in the British Empire, is a record any industry might well be proud of. This is the enviable record of this company who, to-day, are shipping skates to every part of the world where skates can be used; shipments which total yearly the second largest output in the world.

One of the greatest reasons for the popularity of Starr Skates and other products manufactured, is the fact that every model is up-to-date, and fulfills every requirement that users of skates could possibly desire. A product which improves with time and increases its output as Starr Skates have done during the period of 63 years, must have some element of superiority that less favored lines do not possess.

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Farmer is Optimistic Over Market Prices in New Brunswick

Dairy Industry Improves, Farm Stock Better, Wool Production Excels

FRUIT TRADE IS GOOD

Standardization of Bacon Hog Type is Progressing in Satisfactory Manner Through Educational Propaganda

There is not a farmer in the province of New Brunswick who is not optimistic. The upward trend of market prices for his products is one of the principal causes for his confidence that an era of prosperity for agriculture has been ushered in. There are opportunities to-day in farming in New Brunswick which were unknown in the past. The farm is again a going concern, where capital expenditures may be made with a good prospect of satisfactory dividends upon such investments.

The dairy industry is undergoing a betterment and steadily increasing quantities of milk and cream are being delivered to cheese factories and creameries. There has been some expansion in the cheese factory business and the quality of the province's butter has improved.

Better Farm Stock

Better cows are being kept by the farmer and there appears to be a steady betterment in the general standard of farm stock. Many high-class pure bred cattle have been imported during the past three years.

Wool produced in the Maritimes is known to excel wool of similar grade grown elsewhere in Canada, and sheep-raising, when carried on as one of a number of farm undertakings, has brought a satisfactory return.

The standardization of the bacon hog type of New Brunswick pork products output is progressing in a highly satisfactory manner, through government educational propaganda. The co-operative export marketing of lard pigs is a feature of the government's campaign. Moreover, the Swift Canadian Company's plant at Moncton has been a factor in the pork products situation in that province. The company has carried on educational work leading to the improvement in the quality of the hogs.

The poultry industry has made marked advances this year and in the two preceding years, and the future outlook is bright. The average production per hen has increased and a highly successful co-operative system of marketing has been established.

While the extent of New Brunswick's orchard industry is minimized because it is so close to the orchards of the Annapolis Valley, yet every farm possesses a home orchard of apples and bush fruits. The average annual quantity exported amounts to 15,000 barrels of apples and 1,000,000 boxes of berries.

Largest Export Trade

In its production of potatoes and other field crops, New Brunswick is making satisfactory progress. The province possesses the largest export trade in potatoes of any province in the Dominion, and last year its exports to Cuba alone amounted to 35,600 tons. New Brunswick can produce better and cheaper potatoes than Maine. This is due to the co-operative buying of fertilizing chemicals and the paying of cash for these at the time of delivery.

Farmers of New Brunswick are benefiting by the co-operative selling plan. Pools have been organized for such products as cheese, butter, wool, market lambs, pigs, poultry, eggs and seed potatoes. The general trend of agriculture in New Brunswick is towards greater production and high quality production.

That New Brunswick is to become a great stock-raising country and that in the not too distant future the province will ship pure bred livestock to other parts of Canada and the United States, is the forecast of Dr. G. C. Creelman, who for twenty years was president of the Ontario Agricultural College, and who is now president of the Canadian Society of Technical Agriculturalists. Dr. Creelman is one of the outstanding agricultural authorities in the Dominion and his services were secured for a survey of conditions in New Brunswick through E. W. Beatty, president of the C. P. R., who was requested by Hon. J. B. M. Baxter, Premier of New Brunswick, to nominate the most outstanding independent expert available. Dr. Creelman feels that the provincial agricultural appropriation might be increased so that development along the right lines may be expedited.

Agricultural Campaign

Dr. Creelman, who expressed the opinion that "the province is now ripe for a general agricultural campaign," and urged that farming be taken seriously and carried on scientifically in New Brunswick. "If this is done," Dr. Creelman said, "I do not see why New Brunswick should not come into its own as a farming country. So long as money continues to be made from potato growing, there is not much chance to get farmers who have been prospering by growing potatoes to change to other things extensively," Dr. Creelman thinks. "Nor is there much likelihood of having farmers living along the seacoasts give up fishing; but the farmers who have been dependent upon their woodlot, which is now becoming depleted, are the ones who are in difficulty." Dr. Creelman finds, and he suggests that it may be possible to move these families to suitable available agricultural land and have pulpwood or timber grow up again on the land which would thus be left untenanted.

The general situation surrounding agricultural activity in the province is thus summarized by the St. John Telegrap-Journal:

The ultimate prosperity of New Brunswick depends on the extent to which its agricultural resources are developed; there are few who will question that conclusion, particularly after talking with those in the country who are engaged in farming, as well as many who are not. In practically every nook and corner of the province one finds this sentiment prevailing, and perhaps the best substantiation of this conclusion is found in the fact that in areas where the tilling of the soil is the chief source of occupation and revenue, there the people are more contented, more prosperous, and there is less crying about hard times.

And yet there is no particular section of New Brunswick where one might conclude that agriculture is developed to its utmost possibility. Even in the more intensely cultivated parts of the province, many opportunities still exist for much greater expansion. The creameries are crying out for more cream; the cheese factories can handle more milk; the packing plants say they can dispose of four times as many hogs and other live stock; we are still importing many of the products of the farm, and at the same time Upper Canada and the New England States would take more lambs, more wool, more apples, if we had them to offer.

Hard Working People

What seems to be the trouble? New Brunswick lands are as fertile as any in the Dominion; our people are just as conscientious, just as hardworking as those in other parts of Canada, and yet they have not begun to feed the entire population as yet. Where lies the answer to our problem?

While some of our cows are producing 700, 800 or even 900 pounds of butter fat a year, others can do no better than 200 or even less. At the same time as one field is yielding a bounteous harvest of potatoes, or clover, or oats, another alongside is hardly paying for the work that was expended on it. While one farmer is averaging 180 or 200 eggs a year from his flock, and most of them grading extras, his neighbor is trying to get along with an average yield of 100 per bird, mostly in the lower classes.

It seems that there is an opportunity here for a more extensive educational campaign on the part of the authorities that will bring home to all agrarians the possibilities which lie in the bringing up to the minute of all the processes of agricultural production. Both provincial and federal representatives in the province have done notable work in accomplishing what they have done in the last few years, but the process of betterment seems slow. Those sections which have had the advantage of an experimental farm, a demonstration farm or the advice of district representative, have shown results which justify the expenditure made on these services. It would seem that the keynote of the solution of the present situation in a large way would be a reconstruction of the whole fabric or governmental asisstance to ensure that the same advantage would be shared by every section of the province alike.

Such a move might cost additional money, it may be argued; yet I am satisfied that both the New Brunswick and Canadian departments might easily double their expenditure in the promotion of agriculture in this province and accomplish so much that the additional cost would more than be repaid in the added prosperity of the country.

Selling Price

There appears to be no quarrel regarding the selling price per unit of farm produce to-day, so far as the farmer is concerned; and yet with these returns there are many producers who either just break even or make only a small profit, while a few even lose out on the undertaking. The solution of this difficulty lies in more intensive cultivation and a saving in overhead costs through quantity output and the utilization of all materials which might be considered by-products of the business. This calls for a more comprehensive scheme of mixed farming than is now in existence, with the emphasis placed on those lines for which there is a demanding market at the present time.

There are, of course, many other directions in which the prosperity of agricultural New Brunswick can be advanced, such as in the further organization and development of markets, in the arrangement of better conditions surrounding long term loans, and in the easing of the tax burden under which many of the sections of the province are struggling; but the fundamental aim should be to reduce the unit cost of production to its lowest possible level, and to tackle the other problems as the opportunity arises.

Sponsored Conferences Interest Dominion

A Dominion wide interest has centred on the conferences sponsored by the Saint John Board of Trade between farmers and business men. At these conferences matters jointly affecting business and agriculture are thoroughly thrashed out, and every item involves a problem now affecting agricultural welfare in the province.

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POWER INDUSTRY ON GOOD FOOTING IN NOVA SCOTIA

Hydro Electric is on Satisfactory Basis and is Cheap to Public

The hydro electric power development situation in the province of Nova Scotia is on a most satisfactory basis which ensures low cost power to the public and to industry and at the same time allows the power industry in the province to expand to meet the increasing demand for electric energy.

Public utility companies in the province are allowed to earn eight per cent. on the investment—a figure which, in some instances where there is not a marked increase in the demand for power or where there is no immediate market for the output, is not sufficient to attract private capital. But to take care of such cases, the province has created a Power Commission which can undertake developments which may be judged to be in the general public interest. Later, such projects could, if it were thought desirable, be sold to private interests which in turn would never obtain more than the eight per cent. return on their investment.

Recently the construction of an additional hydro electric development, to become part of the St. Margaret's Bay system providing electrical power for the city of Halifax and district, has been undertaken by the Nova Scotia Power Commission. This development will have a capacity for delivering an additional ten million k.w. hours per annum in Halifax and will eliminate the necessity of supplying by steam the difference between the present supply of eighteen million k. w. hours and the twenty-three million k. w. hours required for Halifax.

It is anticipated that the new development will have been completed by December 31 and the additional current will at once be made available. No new lines to Halifax will be erected but the voltage on existing lines will be increase from 13 thousand to 22 thousand volts. At the present time the St. Margaret's Bay system consists of two hydro electric developments, one station at Mill Lake which is supplied by water from the North East River on which is built Coon Pond Dam, and the second development utilizing in part the same water at the Tidewater station. It is now proposed, through the construction of a dam at Sandy Lake and the erection of 5.763 feet of eight foot pipe, to divert additional power to the Mill Lake Station from the Indian River.

Construction Program

The construction program entails a concrete and earth dam at the foot of Sandy Lake on the Indian River and 5,763 lineal feet of eight foot diameter creosoted Douglas Fir wood stave pipe, and surge tank and eight feet steel penstock branching to two lines of six feet diameter pipe. In addition, the generating station at Mill Lake Station will have to be extended in order to handle the water which the new development will bring in. The station will now use two vertical turbo-generator units, together with additional switching equipment necessary for the control of these units.

NEW BRUNSWICK'S CROP OF POTATOES INCREASES YEARLY

Cuba is Largest Single Market — Specialists on Disease-Free Plants

Fifty years ago, in the fall of 1876, Samuel Dayton, a merchant of St. Mary's, shipped from Fredericton the first consignment of New Brunswick potatoes to reach the New York City market. His shipments of that year's crop totalled 4,400 barrels.

Fifty years later, 1926, so great has been the development that the province has the distinction of having the largest export trade in potatoes of any of the provinces, and this commodity is the largest freight item produced in the province handled by the railroads.

Complete statistics of the quantities annually exported are not available, though it is estimated that it exceeds, considerably, one million barrels.

Cuba's Consumption

The largest single consuming market is Cuba. During the calendar year, 1926, certificates of health, to accompany ship's papers on Cuban shipments were issued covering 427,106 barrels of potatoes of 165 pounds.

Market centres in other Canadian provinces and the Atlantic seaboard states receive a greater or less number of the daily carlot shipments than are forwarded to Saint John for export, depending upon whether the prices offering are higher or lower than the Havana price.

The establishment of the potato trade through the port of Saint John with Cuba dates only from the year 1909. In that year the government of the province leased from the Canadian Pacific Railway Company a frost proof warehouse for the convenience of shippers through which about 20,000 barrels had passed up to the end of December of that year.

At the present time there are three frost proof potato warehouses at this port having a combined total capacity of 50,000 barrels. The exports through this port for the fiscal year 1925 were 846,656 barrels.

The average annual production for the last three year period was 6,066,666 cwts. In 1926, 6,090,000 cwts. valued at $8,039,000 were grown upon 42,744 acres.

An important phase of the industry is the production of Government inspected and certified disease-free seed potatoes. This work was begun in 1915 and has continued to the present with ever increasing interest and readier co-operation manifested by all growers.

The potato grower in New Brunswick follows a systematic short rotation of crops, by which potatoes are grown on any piece of land one year and are followed by one crop of oats with which are sown clover and timothy for hay.

NEW LIQUOR LAW IN NEW BRUNSWICK ENTERS QUIETLY

Nineteen Government Stores Opened in Province—No Untoward Excitement

New Brunswick's new Liquor Control Act came into effect early in September of this year with the opening of nineteen government liquor stores located in territories not included in the counties where the Canada Temperance Act was enforced before the Prohibition Act of 1916.

The act is administered by a commission headed by Robert G. Fulton, who resigned the pastorate of the Centenary Church in Saint John to accept appointment. There were no hitches in bringing the new law into effect and in opening of the stores. Reports which reached the Commission indicated that the change from one law to another, with the government stores selling without permits instead of sales being made by vendors, took place as though there had been no change at all.

Complete Monopoly

New Brunswick's new Liquor Act gives the government, through the commission, a complete monopoly of the liquor trade of the province. Sales are made without permits being required as in Ontario, the system there being much the same as in Quebec, except that there are no saloons.

A provincial police has been created, charged primarily with the enforcement of the provisions of the new Liquor Act. While they will be engaged in the enforcement of all laws, their activities are expected to centre largely on rounding up rum runners and bootleggers who may try to continue to operate with the new law in effect. The law now makes it particularly difficult for bootleggers, inasmuch as the bootlegger and his customer are both adjudged equally guilty, and there is no provision for fines, only jail sentences for convicted offenders. The commission now has about twenty stores in operation in the province.

The object of the New Brunswick Liquor Act is not to build up a big liquor business, but is instead to regulate the sale of liquor, promoting temperance by controlling the sale, at the same time diverting to the provincial treasury the millions of dollars which had been going into the pockets of a ring of the six leading bootleggers in the province.

Less Criticism

There was some criticism at first of the administration of the new Act, particularly directed at the appointment of a clergyman as the chairman of the board. But there appears to be less criticism now, for Mr. Fulton, in a recent public address, declared that he had received no less than thirty-seven letters from clergymen of the province recommending individuals for appointment by the Liquor Control Board.

In the short time that it has been in effect, the New Brunswick legislation has worked out well. It can be anticipated that betterments and improvements will be added to the legislation as they suggest themselves.

New Glasgow Company to Erect Steel Span

The New Glasgow firm of J. W. Cumming Manufacturing Company has been awarded the contract for the construction of the 123 foot steel stand for the Commercial Street Bridge at Glace Bay, Nova Scotia. It is really only within comparatively recent date that this company has entered the steel construction business and success of the Nova Scotian firm in obtaining the contract, it is felt, augurs well for future developments along these lines in Nova Scotia.

Among the Maritimes' Leaders

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Our business has expanded and increased as the city has grown and the country became more prosperous, and we want to number you among our customers. If you have never dealt with us we would welcome an opportunity to quote you.

OUR LINES INCLUDE:

Shelf and Heavy Hardware; Paint, Oil and Varnish, Glass and Putty, Cement, Brick, Lime, and Plaster, Roofing and Shingles; Automobile Accessories and Sporting Goods; Stoves and Ranges; Silver, China, Cutlery and Cut Glass; Aluminum, Pyrex, Tin, and Granite Wares, Electrical and Plumbing Goods.

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SEWER PIPES

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Culvert Pipes. Salt-Glazed, Vitrified Sewer Pipes. Inverts for Bottoms of Brick Sewers. Conduit Pipes, for covering Steam and Hot Water Pipes. **"AMCO" Segmental Sewer,** in sizes from 30 inches to 72 inches. (Send for booklet on Building Segment Sewers.) **Chimney Linings,** Round, Square and Oblong.

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Some Installations Recently Made by Us:

Royal Bank Building, Montreal	3 -225	H.P.	150 lbs.
C.N.R. Coach Yards, St. Henry, P.Q.	2 -350	"	150 lbs.
Canada Electric Co., Maccan, N.S.	2 -350	"	240 lbs.
East Kootenay Electric Co., Sentinel, Alta.	2 -665	"	225 lbs.
The Forum, Montreal	2 -180	"	Heating
Acadia Apartments, Montreal	2 -120	"	"
Gazette Building, Montreal	2 -100	"	"
Castle Building, Montreal	2 -100	"	"
Mayor Building, Montreal	3 -100	"	"
Hermes Building, Montreal	2 -100	"	"
Quebec Apartments, Quebec	2 -140	"	"
Empire Theatre, Toronto	1 - 40	"	"
Margaret Ave. School, Kitchener	1 - 75	"	"
Victoria High School, London	2 - 65	"	"
Wyandotte School, Windsor	2 -140	"	"
High School, Timmins	2 -140	"	"
Royal Nfld. Hotel, St. John's	2 - 85	"	"

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New Brunswick Power is Sufficient to Last Over Several Years

Hydraulic Resources Well Distributed in Province — Central Electric System Operated by Commission Carrying on Business Along Lines of Company

The hydraulic resources of New Brunswick, while limited in comparison with those of the larger provinces, are sufficient to supply all the power likely to be required for several years to come, and are well distributed throughout the province.

Owing to a lack of large power consuming industries and to the fact that the central electric station industry has been developed in small isolated units, few of the power sites have been harnessed. Completed developments are as follows:

Ownership	Installed Turbine Capacity
Town of Edmundston	550 H.P.
Rexton-Richibucto Municipalities	260 H.P.
New Brunswick Electro Power Commission	11,100 H.P.
Frasers, Ltd.	2,000 H.P.
Maine & N. B. Power Company	9,000 H.P.
Bathurst Co., Ltd.	9,000 H.P.
(non-operative)	80 H.P.
Maritime Electric Co. & Can. Cottons, Ltd.	1,135 H.P.
(non-operative)	108 H.P.
Saint George Pulp & Paper Co.	3,000 H.P.
	36,233 H.P.

Undeveloped sites that have been more or less investigated and subjects of reports are as follows:

Site	Continuous H.P. with Storage developed
Grand Falls	50,000 H.P.
Other sites on the Saint John River	40,000 H.P.
Lepreau	4,000 H.P.
Pokiok	2,000 H.P.
Eel River	2,000 H.P.
Tetagouche	3,000 H.P.
Shogomoc	2,500 H.P.
Nepisiguit sites undeveloped	8,000 H.P.
Miramichi	2,500 H.P.
Magaguadavic	4,500 H.P.
Other small sites	10,000 H.P.
Total	128,500 H.P.

Grand Falls, about 220 miles from the mouth of the Saint John River is now under development by the Saint John River Power Company, a subsidiary of the International Paper Company. This plant will probably be completed within a year with a 60,000 H.P. installation. Twenty thousand horse power is under contract to the Fraser Companies. This power will be used in extending the paper output of that company. It is understood that the balance of the Grand Falls power will be used by the International Paper Company for the operation of a new paper mill, as the company holds large timber areas on the State of Maine tributaries of the Saint John River in addition to extensive holdings in New Brunswick.

The Bathurst Co., Ltd., operate at the mouth of the Nepisiguit the first news-print mill in the province and they are now contemplating further power development on that river.

The central electric industry has been developed largely under private companies pursuing individual policies in the various cities and towns.

These centres are separated by rural districts and as with a few exceptions the territories served are not sufficiently large in themelves to warrant the large capital expenditure necessary for a water power development, very little use has been made of this source of power for public utility purposes.

Distributing System

The Maine and New Brunswick Power Company which operates the 9,000 H. P. plant on the Aroostook River, near the International Boundary, delivers all but six or seven thousand horse power to points in Maine, but in New Brunswick it has made the only noticeable attempt on the part of a private company to link together various distributing systems, and now deliver power to eleven or more towns and villages in Madawaska, Victoria and Carleton Counties.

As the accompanying table shows there are eight isolated central stations plants in the province, all under separate management and ownership. In addition there are several independent distributing agencies in these communities named as receiving power from the Maine and New Brunswick Power Company and from the New Brunswick Electric Power Commission.

The New Brunswick Electric Power Commission supply power to ten different districts in Southern New Brunswick all of which are connected by the commission's transmission lines to one hydro electric generating plant located at Musquash. This plant has been connected with the steam plant of the New Brunswick Power Company at Saint John, and under a mutually advantageous agreement, the commission takes power from the company during periods of water scarcity and delivers power to the company during periods of surplus water supply.

The New Brunswick Electric Power Commission has the most extensive central electric system yet undertaken in New Brunswick, and supply directly or indirectly over one half the total electrical customers in the province.

In Commission's Hands

While the system is publicly owned by the provincial government its operation and administration is in the hands of a commission who operate the property along the lines of a company.

The commission upon instructions from the provincial government were, in February last, engaged in the investigation of a proposed power development known as the Meductic site on the Saint John River about half way between Saint John and Grand Falls. The engineering reports are now under consideration by the provincial government. These reports show that this site would produce approximately 30,000 continuous horse power, and warrant a much larger ultimate installation, depending upon the uses to which it might be put.

The estimated capital cost is comparatively high and the development will be economically feasible only upon the condition of a firm contract for the sale of about 20,000 horse power for delivery as soon as the plant is completed.

If conditions in the near future do not warrant the construction of a power plant by the commission at Meductic, their attention must be turned in some other direction for smaller increments of power units in order to take care of the growing demands of the system now under their operation.

Considering the fact that the whole province contains a population of 400,000, it is apparent that neither cheap nor efficient electrical service can be provided through a score or more of organizations.

Electric Power Improves Throughout New Brunswick

The New Brunswick Electric Power Commission have in operation 201 miles of distributing lines in addition to the main transmission line between Musquash, where their principal hydro-development is located, and Moncton.

There was generated during the year at Musquash, 25,799,600 k.w.h., of which 2,957,100 k.w.h. were disposed of as surplus seasonal power, and the commission's customers demanded the remainder, or 22,842,500 k.w.h.

The total mileage of new line erected or under construction during the year is 63 miles, some of the new districts reached by extensions during the year including Nauwigewauk, Penobsquis, Dickson's Neck, Brule, Point du Chene, Barachois, Newton Heights, and Colpitts.

The principal customers of the Provincial Hydro Commission are the City of Saint John and the City of Moncton, and the returns for the year show that service was carried on for these two principal urban centres with scarcely any interruption. During the year the service of the City of Saint John was interrupted accidentally on account of the commission's equipment and plant for a total of four months only, and the City of Moncton was cut off only twenty-six and one-half minutes during the entire year.

While the commission's books had not been finally closed for the year, Hon. Mr. Reilly stated the first eleven months of operation showed an improvement over the corresponding period of last year. The improvement is particularly marked in those districts where the commission carries out distribution, he said, and each of these districts will show a surplus this year.

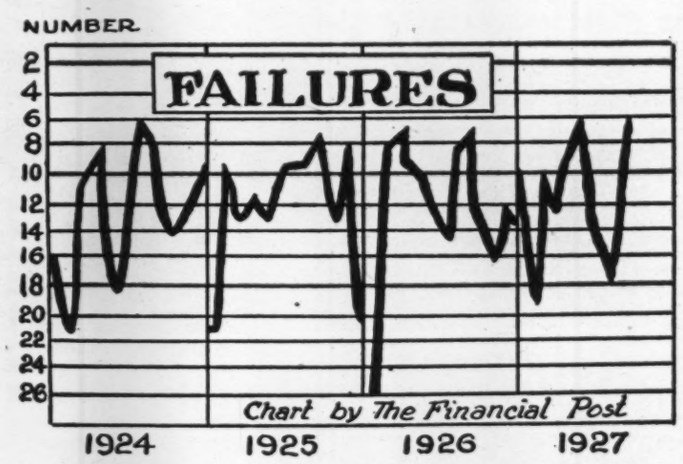
"Bore" at Moncton Interests Visitors

Vast brown mud flats baked and seared by the summer sun stretch away into the distance, and the visitor wonders by what act of Nature can this same scene be transformed into a broad and navigable harbor. Such is the Petitcodiac River at Moncton at low tide. Presently a wind springs up almost unawares, and far down the empty basin the screaming gulls herald the approach of "The Bore."

Scanning the horizon one sees in the distance a silver-crested wave slowly creeping over the dark-brown flats, and soon at our feet an irresistible and turbulent wall of water of from three to six feet in height sweeps past churning up the mud and stones in its fury. This phenomenon is best seen at high tides, and on a moonlight night is indescribable.

"The Bore" is caused by the inrushing tide of the Bay of Fundy, sometimes of a height of fifty-six feet, forcing itself through Chignecto Bay where it enters the comparatively narrow neck of the Petitcodiac River and thence penetrates the innumerable rivers and creeks which indent the surrounding country.

The only other places in the world where this phenomenon may be observed are at the mouth of the Amazon in South America, the Hoogly and Indus rivers in India, the Tsien-Tiang in China, and a much smaller one which sometimes forms in the River Severn in England.



The number of failures in the Maritimes, and liabilities in connection therewith, have not shown much change this year as compared with 1926. On the whole, the record of the past twenty months has been more favorable than any other period in recent years.

Established 1887 Capital and Reserve $1,100,000

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Loans on First Mortgages on Real Estate —
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—these are especially suitable for those who wish to put aside a certain sum allowing the half-yearly interest to accumulate and be compounded from 1 to 5 years. $781.20 will buy $1000 payable in 5 years.

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We issue small steel banks, which you keep in your home, put in coppers, silver or notes and return to office every one or two months, for use in City only. **Ordinary Savings** with checking privileges; can remit by mail, deposits received between 1st and 10th of month will receive interest from the 1st of that month. Withdrawals at any time without notice.

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The Products of the Dominion Iron & Steel Company, Limited, are exported to England, Newfoundland, Australia, New Zealand, China, Japan, British West Indies, South America and South Africa

Dominion Iron & Steel Co. Limited

National Trust Company Limited
Receiver and Manager
Sydney, N.S.

Featuring The Maritime Provinces

THE FINANCIAL POST

Vol. XXI. PUBLICATION OFFICE: TORONTO, NOVEMBER 18, 1927 No. 46

Main Industries of New Brunswick Set Out in General Survey Form Shows Advancement by Province

Ready Market for All Fish Caught is Found in Canada, U.S. and West Indies—Capital Invested in Lumbering Equipment is Placed at $42,000,000

LARGE WATER POWERS ARE BEING DEVELOPED

Province is Leading Potato Grower in Dominion — Raising of Certified Disease-Free Smalls for Seeding Purposes in Maine and New England is Important Phase of Industry—Production per Acre Tremendous

In 1926's primary operations, capital represented was $3,841,518—9,024 persons were employed. In fish canning and curing establishments the capital was $1,424,066 — employees, 2,420. Total production was valued at $5,325,478, including lobsters, sardines, smelts, salmon, cod, herring, alewives, shad, mackerel, clams, oysters, pollock, hake and cusk. A ready market for all fish caught is found in Canada, the United States and West Indies. Some of the packed product (salmon) goes to Great Britain and allied countries, whilst New Brunswick sardines are sold throughout the markets of the world.

Angling

The Restigouche, Nepisiquit, Nashwaak, Miramichi, Cain's River, Magaguadavic, Tobique, Bartibogue, Tabuaintac, N.W. Miramichi and St. Croix are the leading rivers for salmon and trout. Bass, chub and perch are abundant. Pickerel are found in many rivers. Landlocked salmon and whitefish are found. Non-resident license fee, $25 for salmon, $10 for trout; three-day licenses for both salmon and trout, $5.

Forests

New Brunswick has 21,476 sqpare miles of forest lands (10,675 square miles private owned, 10,642 square miles under lease). There is no district where logs cannot be cut and driven by water. Great Britain and United States are the principal markets for lumber.

New Brunswick leads Canada in its forest survey inaugurated in 1916. Over 4½ million acres have been examined by technical foresters. The data is embodied in maps showing timber types, permanent features as to water sheds, estimates of standing timber six inches and over on the stump by species, and unit of area based on four per cent. caliper tally. Soil maps also have been prepared.

Forest Production

In 1926 the total cut of logs in New Brunswick, including those used for sawn lumber, laths, shingles, railway ties, pulpwood, etc., was in excess of 730 million feet, board measure. Of this amount sawn lumber formed 405 million feet and pulpwood was equivalent to 239 million feet. The total value of the forest products, including sawn lumber, laths, shingles, pulp and paper, etc., and also pulpwood exported total over $30,500,000, coming second to agricultural production valued at $39,000,000. Pulpwood is only exported from private lands, exportation from crown lands being prohibited. New Brunswick produces more than double the lath produced in any other province and over one-third of the entire Canadian output, about 500 million lath being produced in 1926. There are over 300 sawmills, including portable mills, lath mills, rossing mills, 24 sash and door factories, five furniture factories, four boat building plants, four pulp mills and one pulp and paper mill. The value of the products of the five pulp and paper mills for 1926 formed about nine million dollars of the total forest production. The capital invested in sawmills, pulp mills, logging and driving equipment, is placed at $42,000,000 and wages amount to over $7,500,000 annually.

New Brunswick's softwood lumber industry is gradually changing from the manufacture of long lumber to that of pulp and paper. Water powers are being developed and new pulp and paper mills are proposed. The principal softwood trees in order of importance are spruce, balsam, fir, cedar, white pine, jack pine, hemlock, and red pine.

There are excellent opportunities for the development of the vast hardwood areas of the province, which as yet are hardly touched. The chief woods are yellow and white birch, maple and beech, which may be used for veneer stock, spool bars, peg wood, tool handles, furniture, barrels, long and short lumber, railway ties and shims, last blocks, snowshoes, canoe paddles, and various other articles. There is also an immense quantity of poplar.

Pulp and Paper Mills

There are five pulp and paper mills in the province, situated at Bathurst, Millbank, Fairville, St. George, and Edmundston, and a paper mill at Bathurst. Three new pulp or paper mills are to be erected immediately. In 1926 pulp and paper mills products valued at $9,000,000.

Hogs

Pork packing houses are established at St. John, Moncton and Woodstock. The annual imports of pork and pork products are over $1,000,000.

Livestock

In 1926 there were in New Brunswick 53,159 horses, 224,462 cattle, including 116,530 milch cows; 156,616 sheep, 71,568 swine. Total value of live stock, $16,845,000.

Potatoes

The province is the leading potato grower in Canada. For fifty years its exports of this vegetable have exceeded those of any other province. Seven thousand carloads—or approximately five million bushels—are exported yearly. From the port of Saint John there were shipped to Havana alone 2,327,971 bushels in twelve months. Other regular markets are: Boston, Montreal, Toronto and other Canadian cities. Great Britain received over seven thousand tons of our potatoes during the winter of 1924.

Production of potatoes per acre is greater than in any other province. A yield of 400 bushels is too common for comment. The growing of certified disease-free seed potatoes for seeding purposes in Maine and the New England States is an important phase of the industry.

The co-operative purchase of commercial fertilizers by a growers' organization, The New Brunswick Agricultural Societies United, is a factor regulating the prices of this commodity so that its generous application is profitable to this crop. The usual rate of application is three-quarters of a ton per acre, costing twenty-five dollars. The cost of production, on the basis of a yield of one hundred barrels per acre, is approximately $100. The annual production value of this crop has reached $8,000,000.

Poultry

In 1926 there were in the province 24,434 turkeys, 17,354 geese, 6,320 ducks, 806,513 other fowls. Total value, $973,000. New Brunswick is well situated for export. Steamships from Saint John offer a big market.

Sheep

New Brunswick lamb is of an excellent grain and flavor and is much sought after in the United States market. The sheep industry could be largely extended, especially on rocky and rolling land not profitable for cultivation.

Dairying

In 1926 cheese factories produced 1,059,257 lbs. of cheese valued at $181,787. Creameries produced 1,416--355 lbs. of butter valued at $508,169 and 163,980 gals. of ice-cream valued at $243,663.

Field Crops

1926—Total value $32,338,000 from 891,631 acres.

Fruit Growing

All small fruits, several varieties of apples and plums and some of pears are successfully grown. European and West Indian markets are the aim of fruit growers. New Brunswick apples can be shipped by water direct from the orchard to British and West Indian ports and to Havre, Rotterdam, Antwerp, Mexico and Boston. New Brunswick is 3,000 miles nearer to these ports than the fruit lands of British Columbia, Washington, Oregon and Colorado. The time is opportune for planting orchards.

Production

Manufacturing was the chief source of production in the province in 1923 (the latest year for which complete statistics are available) with an output of 44.3 per cent. of the total. Forestry occupied second place, contributing 35.4 per cent., followed by agriculture with 31.8 per cent. In 1926 agriculture came ahead of forestry; agriculture being valued at $39,000,000 and forestry at $30,500,000.

Power Development

The existing developments of 1,000 horsepower and over are:

	Horsepower
St. Croix River at Woodland	13,200
Nepisiquit River at Grand Falls	9,000
Aroostook River at Aroostook Falls	8,400
St. Croix River at Grand Falls	8,000
St. Croix River at Cottonmill Dam	3,500
Magaguadavic River at St. George Falls	3,000
Madawaska at Edmundston	2,000
Tete-a-Gauche River, 9 miles from Bathurst	1,000

The New Brunswick Electric Power Commission has constructed a development on the Musquash River with an installation of 11,100 horsepower. Power is transmitted 13 miles to St. John, and 100 miles to Moncton.

The St. John River Power is completing the development of Grand Falls at St. John River. The plans call for an initial installation of 60,000 horsepower. Part of the power is to be used in two newsprint mills in New Brunswick; part is to be distributed by the province, and part to be available for use in the State of Maine.

All the developments of the St. Croix River are of an international nature. The developments at Woodland and Grand Falls are used entirely on the American side, that at the Cottonmill is used entirely in Canada. The others are used on both sides of the border. The development at Aroostook Falls is wholly in Canada but a large part of the power is used across the border.

Other developments include two dams on the St. Croix River 600 horsepower and 850 horsepower; at Woodland, 600 horsepower; at Bathurst, 250 horsepower and municipal plants at Edmundston, also near Richibucto. There are many hydro power sites on the rivers of the provinces which can be developed economically. Further developments on the Nepisiquit are in view.

Grind Stones

New Brunswick grindstones have been produced for many years from the millstone grit on the south shore of the Bay of Chaleur at Clifton and Stonehaven, and on the Bay of Fundy at Rockport and Wood Point. Stones for grinding wood pulp are also made at quarries situated at Stonehaven. The Miramichi Quarry Co. produce splendid pulpstones at Quarryville, Northumberland Co. Outcrops of suitable stone occur at several points.

Gypsum

Gypsum is quarried and manufactured extensively at Hillsborough. Some is exported to the U.S. in crude form, but large quantities are calcined and shipped to Eastern Canada and, to some extent, to the U.S. and other countries. There are also occurrences of gypsum near Plaster Rock on the Tobique River.

Limestone

Deposits of limestone are widespread in Charlotte, Kings, Albert, Carleton, Madawaska, St. John and Gloucester counties. In St. John county extensive deposits at Brookville are being pulverized and the product used as a fertilizing agent. At this place the government has purchased a quarry, and established a modern, well equipped grinding plant, at present leased to Brookville Mfg. Co. Pulverized limestone is supplied to farmers at $3 per ton to use as a fertilizer. The active demand indicates that this will become a very important industry.

Oil Shale

Bituminous or oil shales exist extensively in Albert and Westmorland counties near Moncton, but as yet have not been worked commercially. These shales are richer in oil and by-products than the Scottish shales which have been operated very profitably for many years. The quantity of rich shale has been estimated by several mining engineers at as much as 270,000,000 tons. A retorting plant is now being erected at Rosevale, Albert County, to extract oil from the shale.

Building Stone

St. George is an important centre of the granite industry of the Maritime Provinces. Quarries have been operated here since 1872. There are five miles for dressing rock situated between St. Stephen and St. John. Three types of stone are produced—

(Continued on page 41)

Corner is Turned

The past twelve-months has been one of real progress for Nova Scotia people and from all parts of the province come messages of hope and thanksgiving.

These achievements since last Thanksgiving day are the results of energy and determination of people, and all are looking forward to better days and better times with the corner turned and hardest part of road passed.

WATER POWER SITE AT GRAND FALLS NEARS COMPLETION

70 Per Cent. of Construction Work by Saint John River Power Co. is Finished

MILLS TO BE BUILT

To Increase Flow of River, Reservoir is Being Built at Temiscouata Basin on Madawaska River

The development of Grand Falls by the Saint John River Power Company is fast nearing completion. More than seventy per cent. of the construction work has already been completed. Work on the project first commenced August, 1925. The plant is located at the Grand Falls power site, on the Saint John River.

The Saint John is the largest river in the Maritime provinces and at Grand Falls the area drained totals 8,700 square miles. At Grand Falls the river makes a sheer drop of seventy feet and then a further drop of 49 feet in a series of cascades, which form a half circle around the town.

First Class Magnitude

The high head and the large flow of water, the accessibility of the site, which is served by three railways, its favorable situation with regard to timber resources and its easy transmission to all parts of New Brunswick, combine to make Grand Falls a water power site of first class magnitude and importance. Thus, the development of the site by the subsidiary of the International Paper Company is an underlying and extremely important factor in the industrial development of the province as a whole.

The development consists of a dam at the head of the falls, a tunnel through the rocks, underneath the town of Grand Falls, and a generating station at the foot of the lower cascade. The initial installation in the power plant will consist of three 20,000 horsepower units operating under a head of 130 feet. The head can be increased when the flow of the river is further regulated.

The greater part of the power from Grand Falls is to be used in the mills of the Fraser Companies and the International Paper Company. The Fraser Companies is at present engaged in extending its production and will take 20,000 horsepower commencing next July. About 9,000 horsepower will be held for use by the New Brunswick Electric Power Commission. While the initial development at the power house will consist of three units generating 60,000 horsepower, the formation of the plant provides for an ultimate installation of a fourth 20,000 horsepower unit.

Newsprint Mill

The International Paper Company is also to erect a newsprint mill in New Brunswick which will produce from 200 to 300 tons of newsprint daily and which will use 30,000 horsepower from the development. The construction work on the power project is well ahead of schedule and will be delivering power under its contract to the Fraser Companies by next July.

To increase the flow of the river, the company is constructing a storage reservoir at the Temiscouata basin, on the Madawaska river, one of the large tributaries, which rises in Quebec and flows into the Saint John river at Edmundston, N.B. The Saint John river is flashy, with heavy floods in the spring and fall with periods of low water during the remainder of the year. The Madawaska storage dam, by impounding water during the flood periods for use in the lower water periods will reduce the floods and benefit the province by reducing the damage in the valley from the extreme high water in the spring.

One of the mainstays of the province of New Brunswick has always been its lumber industry. The opening of the Panama Canal, however, brought lumber from the Pacific coast directly into the market for New Brunswick lumber, with the result that the lumber industry there has been passing through a number of lean years. The Grand Falls development will undoubtedly in itself, and in the pulp and paper development which follows the hydro development, bring an increased measure of prosperity to the province as a whole.

Deadlock Arose

In 1894, the Grand Falls Water Power and Boom Company acquired the interests of the Dominion of Canada, which owned the northeast bank of the river at Grand Falls, having acquired it for military purposes before Confederation. In 1905 a rival company, the Grand Falls Power Company, obtained the interests of the province on the southwest side of the river. This deadlock prevented any development. In 1912 the Grand Falls Company was formed and acquired the properties of the rival companies.

Shortly thereafter International Paper Company obtained a two-thirds interest in this company, and development seemed certain. The War came, however, and put development out of the question. Following the War, there was a period of inflation which in turn was followed by a severe business depression, again postponing development. To add to the difficulties, there were five political entities involved in development—the Dominion of Canada, the United States of America, the provinces of New Brunswick and Quebec, and the State of Maine.

These difficulties have at last been overcome as the result of many years of work. All the necessary properties are now vested in one company, and the International Joint Commission, with the approval of the various governments involved, has issued its order permitting the work to go on.

After many efforts by his predecessors it has fallen to the Honorable John B. M. Baxter, premier of New Brunswick, and his associates, including the Honorable E. A. Reilly, chairman of the New Brunswick Electric Power Commission, to conclude on the part of the province the final arrangements which make possible the development.

The Saint John River Power Company was formed by Act of the Legislature of New Brunswick in April, 1926, and is the company which is now developing Grand Falls. All the common stock of this company is owned by International Paper Company.

In New Brunswick, International Paper Company has heretofore carried on its operations through two subsidiaries, Miramichi Lumber Company and Dalhousie Lumber Company, these companies being under the supervision of Mr. J. W. Brankley. The company also owns and operates a coal mine at Minto, New Brunswick, which is under the supervision of Mr. A. D. Taylor.

The position of International Paper Company with regard to pulpwood resources is particularly strong, and it is working to perpetuate its forests and build up its forest reserves by balancing mill construction with adequate timber reserves to the end that the company's mill properties will be assured of permanence.

Provinces' Magna Charta

The campaign for Maritime rights—the Magna Charta of these provinces, the very foundation of their future prosperity, and complete fulfilment of the Duncan Report is the watchword of the Eastern Provinces.

The Maritime governments are pressing hard for the carrying out of the Commission's recommendations, which they are confident will be the means of putting the Maritime Provinces on their feet once and for all.

British Empire Steel and Besco's Structure Analysed in Extenso

Necessary to Know Complex Finances to Get Picture of Corporation's Operations

BONUS IS WANTED

Tariff Has Declined Steadily and Company Has Found Difficulty in Marketing Coal Production

It is impossible to obtain a clear picture of the operations of the British Empire Steel Corporation, or the present position in which the corporation finds itself, without a clear knowledge of the complex financial structure of Besco and its subsidiaries. While Besco is the largest industrial corporation in the Dominion, yet the corporation's activities are merely those of a holding company. Moreover, Besco owns no assets other than the securities of its subsidiaries. The parent corporation controls only three subsidiary companies, namely, the Dominion Steel Corporation, the Nova Scotia Steel and Coal Company, and the Halifax Shipyards. In turn, the two larger of these subsidiary companies control what might be termed the secondary subsidiaries of the British Empire Steel Corporation.

The accompanying chart presents a clear picture of the complex financial structure of the corporation. In the Besco picture, it will be seen that there are four companies in which there is a large investment interest, namely, the Dominion Iron and Steel Company, the Dominion Coal Company, the Dominion Steel Corporation and the Nova Scotia Steel and Coal Company. To obtain a clear picture of the present position of Besco, it is necessary to understand completely the relationship of these companies. It will be seen that Dominion Iron and Dominion Coal are subsidiaries of the Dominion Steel Corporation, which, in turn, like the Nova Scotia Steel and Coal Company is a direct subsidiary of Besco.

Subsidiary Company

There is only one other constituent company of the British Empire Steel Corporation in which there is an investment interest; this is the Eastern Car Company. This company has a small issue of bonds in the hands of the public and a few preferred shares. It, of course, is a direct subsidiary of the Nova Scotia Steel and Coal.

Following its formation in May, 1920, many troubles have come upon Besco. For some reason best known to itself, the general public seems automatically to have taken the stand that the Besco management has been entirely responsible for the company's labor difficulties and its financial difficulties. But since the war, every country in the world—Britain, France, the United States, and Western Canada—has been experiencing labor troubles in their respective mining fields. Without going into the question of management at all, it is hardly to be expected that Besco would have escaped the labor difficulties which beset every other similar coal and steel industry in the civilized world.

In its financial difficulties Besco is not alone for during the past seven years there has hardly been a coal company in the world which has earned six per cent. on its investment, without taking into consideration the reserve for depletion of coal resources. Moreover, the steel industry has been having difficulties. Furthermore, the corporation came into being on the crest of the industrial wave of 1920, just prior to the close of the boom period. The 1921 reaction thus found a new merger company formed when business conditions were rosy, quite unprepared for the tremendous business slump—a slump larger than the world has ever witnessed or probably ever will witness again.

Besco Criticized

Like every other industrial management, there are points on which the Besco management can be criticized. But in such criticism other factors surrounding Besco at its inception and in the intervening years, should be taken into consideration.

Then, again, the fiscal policy of the Dominion has not been such as to help the British Empire Steel Corporation—the only steel company in Canada manufacturing its entire output from all-British raw materials. On an ad valorem basis, the tariff on coal has steadily declined. Thus Besco has found difficulty in finding a market for its coal production. This is one of the reasons for its labor troubles. In its steel production, the corporation has also been handicapped. Many companies have been allowed to import steel without duty, or at least with a 99 per cent. drawback. Thus, industries manufacturing steel have been encouraged to use steel ingots, steel rods and other shapes manufactured in the United States. The Besco management claims that their industry should be bonused to an amount equivalent to the concessions granted importers of steel. Indeed, the Duncan Commission on Maritime rights, recommended such a bonus.

This then is a broad summary of a few of the factors affecting an industry in which some 20,000 investors are

(Continued on page 45)

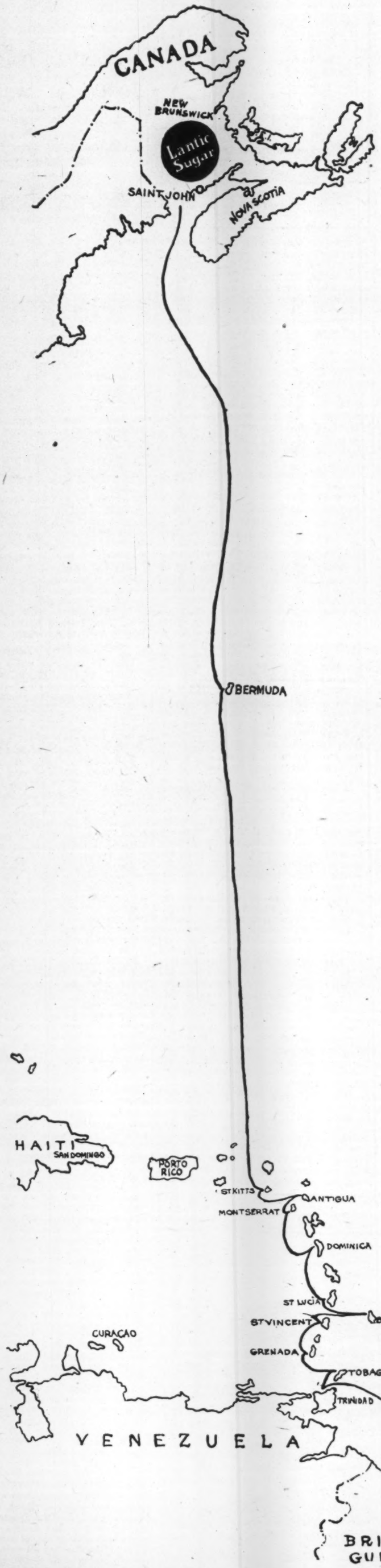
Gypsum Mine

This picture gives an excellent idea of the workings of one of Nova Sc otia's wealth-producing products situated near the town of Windsor.

ATLANTIC SUGAR REFINERIES LIMITED

Head Office: Montreal

Refinery: Saint John, N.B.



A STRONG LINK IN THE CANADA-BRITISH WEST INDIES CHAIN

FARM OWNERS VIE WITH MERCHANTS IN NEW BRUNSWICK

Both Industries Compete Against Each Other for First Place

In the province of New Brunswick the industry of agriculture vies with the manufacturing industry for first place in the productive industries from the standpoint of the annual value of its products.

A comparison of these values for the year 1923—the latest consulted, shows that in that year the value of the agricultural production was $32,950,000, while the net value of all manufacturing industries was $31,880,906. The agricultural production value for the past year, 1926, is greater than in 1923 by almost five millions, being estimated at $36,786,000.

Motive Power

Here, then, agriculture may be likened to the motive power which moves the wheels of all our other industries.

Though it is true that, unlike the farm production of the Western provinces, a relatively small part of the products enter into commercial channels for export, yet, the portion which is handled by the transportation companies, and the freightage of the farmer's raw material, such as commercial fertilizer, and machinery, bulk large among the items carried by our railways. As a productive consumer of commodities and as a supporter to other local industries no other wage-earner so sedulously turns his earnings back into the stream to cause an increase in the general prosperity as does the farmer.

The stability of this industry is based upon the variety of the crops grown and upon the relatively large portion of the total agricultural production value that is derived from the sales of live-stock and of dairy products.

For the year passed, 1926, the value assigned to sales of farm animals was $2,682,000 and of dairy products $7,663,000. The value of all field crops was $23,338,000.

Dairying Enterprises

Dairying, pre-eminent among farm enterprises for the regularity of its returns, engages, to some degree, the attention of more farmers than does any other enterprise.

The basis of the province's dairying is the hay meadow, contiguous to all rivers, and the rich pastures, which flank all the small streams and brooks. The grass crop of these perennial meadows makes cheap pasturage during four months of the year and rich winter fodder. The annual hay crop is approximately one million tons, and is, consistently, the greatest single item among the various crop values.

The development in dairying over a period of the past forty years was concurrent with the expansion of the farming industry. The trend during the last three years was a quickening of the rate of increase of the factory dairy output, and this may safely be taken as a criterion of the general tendency in dairying.

The statistics of the production of factory dairy products for the past four years show the rate of this increase:—

	Lbs. Butter	Lbs. Cheese	Gals. Ice Cream
1923 ..	1,119,295	819,580	63,225
1924 ..	1,159,152	871,715	136,007
1925 ..	1,232,927	1,112,894	145,427
1926 ..	1,416,355	1,059,257	163,980

During the six-year period 1921-1926 the annual value of dairy products fluctuated only between $7,712,000 and $7,120,000, according to the estimate of the Dominion Bureau of Statistics. This fact bears out one obvious and universally characteristic feature of dairying—the stability of the returns.

Of greater importance as a cash-crop and because it enters commercial channels to a greater extent than does hay, is potatoes. Unfortunately the growing of potatoes has about it, in contrast to the dairying enterprise, the element of speculation. During the past few years the production values of this crop have varied from $3,025,000 to $8,039,000, while the acreage and total crop varied within normal limits.

The average annual production of potatoes for the last three year period was 6,066,666 cwts. In 1926, 6,090,000 cwts. valued at $8,039,000, were grown upon 42,744 acres.

Price of Fertilizer

A factor which to-day tends to make a low cost of production in this province's "potato belt" is the low price of fertilizer. The wholesale buying of this commodity by the New Brunswick Agricultural Societies United—a farmers' co-operative association incorporated in 1913 and authorized to purchase fertilizing ingredients, arrange for their importation and warehousing and to distribute to agricultural societies in the province, has been a factor in regulating the price. This association is now one of four leading concerns engaged in the fertilizer distributing trade of this province. For the present crop year its sales amounted to over 6,000 tons.

For fifty years potatoes have been a factor in building up the volume and value of the agricultural export trade. The province has the largest export trade in this commodity of any of the Canadian provinces and possesses at Saint John, the winter port of Canada, frost-proof potato warehouses having a capacity of 250,000 bushels. The port records show that the exports by ship through Saint John during three years were as follows:

1923 ..... 1,094,335 bushels
1924 ..... 1,334,283 bushels
1925 ..... 2,327,971 bushels

The shipments made by rail during the same period to the American and Canadian market centres amounted to, approximately, as much more.

Seed Potato Business

New Brunswick held until the last few years the leading position among Canadian provinces in the seed potato business. The adopting of seed standards and inspection and certifying by the Dominion Division of Botany in 1915 was the beginning of an extensive trade in certified disease-free potatoes with the States of the Union. New areas in the province, in particular the counties bordering upon the Bay of Chaleur, took up the growing of potatoes especially for seed.

The possibilities in small-scale potato growing, where the grower is interested in the potato as his main source of revenue, is well illustrated by the success of Chesley Haines, Burtt's Corners, N.B. Mr. Haines has been farming for twenty-five years, but became interested in seed potato growing only so recently as 1923, when he planted five acres, using certified seed. In that year the yield per acre was 125 barrels. The next year his acreage was increased by only one-half an acre, but the acre yield was increased to 175 barrels. For the 1925 crop, Mr. Haines planted six and one-half acres, which yielded 963 barrels, which he sold at an average price of $5 per barrel. A further increase in his potato acreage was made in the spring of 1926 when he planted eight and one-half acres, which yielded 1,380 barrels. There were sacked and sold from this crop in the fall, 1,143 barrels of certified seed, for which he received $4.45 per barrel, or sack, of 165 pounds.

The "potato belt" comprises two Saint John River counties, Carleton and Victoria. But considerable quantities are grown in other sections as well: At Shediac, Sackville, Keswick, Elm Tree and Charlo, additional houses on farms and at track sidings are each year being built and there is every prospect that potato growing for export will receive greater attention as a major enterprise on the farms.

Two major problems of Maritime agriculture—the augmenting of soil fertility, and the collective selling of farm products are in a fair way of being solved in this province.

The first-named difficulty is being met by a popular movement of resorting to commercial fertilizers with which to fortify farm manure to increase the acre-yield of all kinds of crops. Eleven cargoes, aggregating 25,000 tons of commercial fertilizer arrived at the port of St. John this spring for distribution in this province. There is, besides this movement, a growing custom for using pulverized limestone as a crop fertilizer. Since 1920, when by an Act of the provincial legislature, limestone was authorized to be manufactured as a crop fertilizer at a government-owned quarry and plant, 37,975 tons, enough to lime 20,000 acres had been sold at the close of 1926.

The marketing problem is yielding before the co-operative selling plan. Pools have been organized for such products as cheese, butter, wool, market lambs, pigs, poultry, eggs and certified disease-free seed potatoes. These commodities are paid for on a quality basis. The producer of "quality" gets paid for quality, and cull produce is refused.

VESSELS ENTERED AND CLEARED AT PORT OF SAINT JOHN
(Fiscal Year)

1925	Inward	Tons	Outward	Tons
Ocean Steam and Sail.....	804	1,192,042	707	1,028,360
Coastwise	1,823	426,767	1,932	602,198
Inward Cargoes	455,633 tons weight		75,514 tons measurement	
Outward Cargoes	822,562 tons weight		158,946 tons measurement	
1926	Inward	Tons	Outward	Tons
Ocean Steam and Sail....	858	1,410,950	766	1,214,836
Coastwise	1,732	396,342	1,779	577,716
Inward Cargoes	529,209 tons weight		72,070 tons measurement	
Outward Cargoes	860,143 tons weight		112,734 tons measurement	
1927	Inward	Tons	Outward	Tons
Ocean Steam and Sail	1,132	1,515,196	958	1,317,076
Coastwise	1,313	440,056	1,976	616,641
Inward Cargoes	431,574 tons weight		75,908 tons measurement	
Outward Cargoes	1,064,032 tons weight		140,942 tons measurement	

Palatial Hostelry

Photographic sketch of The Lord Nelson, which is the name of the new hotel to be erected at Halifax by the Canadian Pacific Railway, and which will form a link in the chain of hotels operated by this company across Canada. Photo by Canadian Pacific Railway.

NOVA SCOTIA HAS BIG TIMBER AREAS

Approximately 2,128,000 Acres of Crown Lands Under Control of Prov. Government

The Crown Lands of Nova Scotia contain large areas of excellent young second-growth timber that in a short time will be ready for cutting. It is a general belief that the Crown Lands of the province consist mostly of barrens, but this is not so, the lands are valuable, especially the areas in Halifax, Guysboro, Pictou, Richmond, Inverness and Cape Breton Counties."

There are approximately 2,128,000 acres of Crown Lands now under the control of the provincial government, of which 711,550 acres are leased to private companies or individuals for the purpose of cutting pulpwood and timber. It has been estimated that the remaining unleased acreage of 1,416,466 acres, contains 780,000 cords of pulpwood at the present time and the areas are each day becoming more valuable.

Reforestation Policy

The natural value of the Crown Land areas is very great and this natural value is being greatly enhanced through the reforestation policy which has been adopted by the Government. The planting of millions of young trees each year on the Crown Lands will mean a tremendous increase in value. The efforts of the government along the lines of fire prevention, and the elimination of pests which destroy timber, will also greatly increase the value of our Crown Lands.

Of the 711,500 acres under lease 591,500 of these acres are included in what is commonly known as the "Big Lease" in Inverness County. Of the remaining 120,000 acres under lease nearly all will revert to the Crown within 25 years.

It is believed that with the development of the muskrat industry, to which the Government is now devoting attention, the value of the Crown Lands will be further increased. There is a large acreage, chiefly in the southern portion of the province, which is swampy and unsuited for the carrying out of a reforestation policy. These areas of swamps, bogs and barrens are ideal for the raising of muskrats and as this industry develops, these particular areas will be in great demand. It is intended that the muskrat industry should be developed through private enterprise.

Blueberry Cultivation

An effort is also being made to increase the blueberry production of the province and the barren Crown Lands are also well suited for this industry. Information as to ways and means through which blueberry cultivation may be increased is being made available for people engaged in this industry throughout the province.

At the present time Crown Lands are being granted, en bloc, not exceeding 150 acres, for agricultural or grazing purposes at a cost of $1 per acre. When a grant is applied for, the particular area is carefully investigated by officials of the Lands and Forests Department before the grant is approved. Leases are also being issued for small lots of land suitable for camps or mill sites. Timber cutting licenses are being issued to those requiring Crown Lands on which to cut timber or pulpwood. These licenses are for one year, but may be renewed by the Minister of Lands and Forests.

The Crown Land areas in Nova Scotia, divided into counties are as follows:

County	Vacant Crown Land acres	Leases over 1000 acres. acres
Inverness	48,040	591,405
Victoria	129,179	2,800
Richmond	60,283	
Cape Breton	91,629	9,580
Guysborough. ..	230,148	48,700
Antigonish	1,960	2,353
Pictou	28,202	1,701
Halifax	235,210	4,684
Lunenburg	17,070	
Queens	66,500	
Shelburne	114,900	37,923
Yarmouth	219,245	2,955
Digby	111,950	7,655
Annapolis	11,850	1,069
Kings	1,900	
Hants	45,820	
Cumberland	1,780	
Colchester	800	1,225
	1,416,466	711,550

FISHERIES GROW

The output of Nova Scotia's fisheries shows a steady growth. Here are the figures for the past four years:

1923 catch .....198,000,000 lbs.
1924 catch .....219,000,000 lbs.
1925 catch .....247,000,000 lbs.
1926 catch .....300,000,000 lbs.

NOVA SCOTIA POWER IS SELF SUPPORTING

Its Operating Activities Have Never Been Tax on Public Revenues

The Nova Scotia Power Commission has invested in hydro electric power developments, transmission and distribution systems, at date, $4,650,000.

Its gross revenue for 1927 will be $480,000.

Its turbine installation of approximately 23,000 h.p. constitutes 35 per cent. of the installed water turbine capacity in Nova Scotia.

Its permanent executive, administrative and operating staff consists of 50.

In addition, during the major part of 1926 it has employed 350 men in its construction activities and distributed $200,000 in salaries and wages to them.

Since commencement of its work in 1920, more than $2,000.000 has been distributed by it in Nova Scotia in salaries and wages.

Through the developments it operates, 100,000 people receive the advantage of electric power and energy, being almost 20 per cent. of the population of the province.

In addition, it supplies to a ground wood pulp mill as much electrical energy as is used by the city of Halifax and the town of Dartmouth. This mill gives more or less continuous employment to 600 men.

Its operating activities have never been a tax to the extent of one dollar on the public revenues, nor is it intended that they ever shall be.

GYPSUM ABOUNDS IN NOVA SCOTIA

Province Produces 78% of Product Mined in Canada

The production of gypsum is increasing yearly in Nova Scotia, and at present this province is producing 78 per cent. of the gypsum mined in Canada. Several new companies have recently started operations, and new developments are continually being effected by the Department of Public Works and Mines. It is apparent that Nova Scotia is destined to assume an increasingly important place as a gypsum producer.

The superiority of N.S. gypsum as compared with the American product for the making of pottery moulds, for ornamental castings, and for dental work is acknowledged. Plaster made from Nova Scotia gypsum has a finer texture, smoother working qualities and a more uniform set than plaster made from "U. S. rock" and is generally in demand in that country on account of those qualities.

There is a greater demand for gypsum to-day than ever before—because of the increase in the building of structures into which gypsum enters as an ingredient of cement, the making of fire-resisting materials, partitions, inside finishings and decorations. Because of this increased demand some mines in Nova Scotia are kept busy day and night quarrying the mineral. To-day gypsum, next to coal in quantity, is the most important mineral and the last four years were indeed prosperous ones for this industry.

There is in Nova Scotia a very large gypsiferous area. There are about 75 square miles of the total area from which gypsum has been shipped for more than a hundred years.

During 926, 678,107 tons were produced, by far the largest amount produced in the Dominion. Ontario came next with 89,987 tons, New Brunswick produced 59,546 tons, Manitoba 35,172 tons and British Columbia 20,916 tons. There are at present thirteen companies operating in the province.

Gypsum occurs in various forms at many points throughout the province. The great majority of these deposits are near tide water or the railroad which provide easy means of transportation for either the raw or manufactured products.

The Volume of Business in the Maritime Provinces Shows Great Improvement

Being in touch, as we are, with every phase of industrial activity, it is indeed gratifying to note the decided betterment of conditions. A great deal of outside capital is flowing into the Maritime Provinces — being used in the development of existing basic industries — new mining ventures — agricultural and fishing activities, and building construction.

We carry large stocks of Hardware, Plumbing and Steamfitting Supplies, Pumps, Brick and Machinery. Some of our specialties are:

Builders' Hardware	Caterpillar Tractors
Building Brick	Snow Plows
Fire Brick	Robb Boilers
Fishing Supplies	Wire Rope
Plumbing Fixtures	Norton Jacks
Steam Fittings	Contractors' Supplies

WM. STAIRS, SON & MORROW, LTD.
Halifax - Canada

THE HALIFAX CHRONICLE and THE HALIFAX DAILY STAR

occupy a unique position in

NOVA SCOTIA!

For 84 years **THE CHRONICLE**, because of its character and trustworthiness, has been an institution in Nova Scotia. Distinguished men such as Howe, Annand and Fielding gave it a national reputation and prestige.

THE HALIFAX CHRONICLE in the morning field, and **THE HALIFAX DAILY STAR** in the evening field, are the best advertising media in Nova Scotia for the simple reasons that they have a reputation, founded upon high traditions, and go into the homes of people who read, people who think, and people who buy. Character, quality and buying power are associated together in the opportunity that these allied newspapers offer to the advertiser in the Maritime market. In these respects they are pre-eminent in their field!

GROWING NEWSPAPERS

The combined net paid circulation of these newspapers for the past six months has averaged

27,500 DAILY

the highest distribution in the history of these newspapers.

They enter every town and village in the province, — and possess the largest paid-in-advance, home delivered circulation in Nova Scotia.

NOVA SCOTIA'S WEALTH!

It is estimated that during 1928 Nova Scotians will spend the huge sum of $177,000,000 for quality goods of all kinds.

An adequate method of reaching this potential body of responsive customers is through the advertising columns of

THE HALIFAX CHRONICLE and THE HALIFAX DAILY STAR

Rate Cards, Circulation Statements, etc., gladly furnished upon request. Address —

The Chronicle Co., Ltd.

Chronicle Building - - - Halifax, N. S.

Maritimes Will Benefit Through Waterways, Says Shipping Expert

Montreal Interests Opposed to Project Principally on Ground That It Will Harm Trade — Ontario and West Are Anxious for Completion of Scheme

The deep waterways development is one which has aroused much feeling in central Canada. Montreal interests are opposed to the project principally on the ground that it will harm Montreal's trade. Ontario and the West naturally are anxious for the completion of the St. Lawrence waterways which economic opinion is inclined to feel will pay for itself in reduced freight rates. Little, however, has yet been said regarding the effect on the Maritimes of the proposed system of canals. Mr. T. R. Kirkwood, Great Lakes shipping man, in an article, claims that great benefits would accrue to these provinces by the completion of the project.

The arguments used against the further development of the Great Lakes and St. Lawrence canals include the fact that they would be of much greater benefit to the U. S. than to Canada, and that most unsatisfactory political results would follow the present plans of development.

The protagonists of the enlarged canals system say that such arguments are merely red herrings drawn across the trail of a project which they feel is sure to be carried out—if not all along the lines at present planned, at least along similar lines. In any event, Mr. Kirkwood, in looking at the situation from the Maritime angle, clears away some of the fog surrounding the discussion.

Mr. Kirkwood says:

"If Canada's great wheat crop was being transported all-rail as far as Ottawa on the standard gauge tracks as we know them today, carried in the modern box cars containing 2,000 bushels each, and then on arrival at Ottawa were transferred to box cars with a capacity of only 350 bushels each, and hauled to ocean ships at Montreal on a narrow gauge railway, we would consider that the railway companies were extremely stupid to allow such a condition to exist. We would, without doubt, rise en masse and tell our government that we would no longer stand for such an uneconomic condition. We would instruct our parliamentary representatives to do away with that narrow gauge railway from Ottawa to Montreal.

"Why, then, do we continue to tolerate exactly the same uneconomic condition of transportation on our great inland waterway system, which actually moves the wheat crop today?

Present Conditions

"Here is what happens now. A modern 600 foot bulk carrier lake steamship loads 500,000 bushels of wheat at Fort William and transports this cargo to Port Colborne, Ontario, at the easterly end of Lake Erie and entrance to the Welland Canal. On account of the small size of this canal, the big steamer must discharge her load into a transfer elevator in Port Colborne, as she is unable to proceed further, Now she has performed her part, or carried the cargo approximately 1,000 miles to Port Colborne for a nominal rate of 2½ to 3 cents per bushel. The 500,000 bushel cargo is then spouted into six small vessels, of exactly the same type of construction as the big 600 footer, but having a capacity each of only 80,000 odd bushels. These small 'canalers' then carry their loads to Montreal, a distance of approximately 350 miles, for a rate of 6 to 7 cents per bushel. This makes a total through rate from Fort William to Montreal of 8½ to 10 cents per bushel. (The rates fluctuate according to demand for tonnage.)

"Fortunately, the Welland canal is now being enlarged to permit the passage of very large vessels, with a depth of 27 feet, and 800 foot locks. It will be completed and ready for use in 1929. The narrow gauge system (260) foot locks, 14 feet deep, is still in existence from the foot of Lake Ontario to Montreal. If this section of our canal system was enlarged to correspond with the new Welland ship canal, then the big 600 foot freighter would be able to proceed with her 500,000 bushels direct to Montreal, at a rate of approximately 4 cents per bushel. This would mean an average saving in transportation costs of 5 cents per bushel. On a grain movement of 400,000,000 bushels it would mean $20,000,000 saved each year on grain alone. It would stop at once that enormous movement of well over 100,000,000 bushels of Canadian wheat which goes via Buffalo to U.S. Atlantic ports, to the detriment of our own Atlantic ports of Halifax and Saint John.

Marketing of Coal

"Now, the people of Nova Scotia have a major problem on their hands—problem, the solution of which means increased prosperity to Cape Breton in particular, and to the people of the province and of Canada as a whole. That problem is the marketing of their coal in the central provinces.

"Ontario, particularly that territory adjacent to Toronto and Hamilton, uses about $100,000,000 worth of U.S. bituminous coal each year. Nova Scotia ships by the St. Lawrence River up to 3,000,000 tons to the port of Montreal, and ports east of it. Owing to the present 'narrow gauge' canal system from Montreal to Lake Ontario, none of their coal can be shipped farther west than Montreal. Owing to keen competition with U.S. coal, it is economically impossible to transfer large cargoes at Montreal to the small 'canalers' for furtherance to Toronto and Hamilton. This 'narrow gauge' canal works effectively against the selling of Nova Scotia coal in the large Ontario market. It prevents this huge sum of money being kept in Canada, and forces it over to the United States coal mines. The enlargement of this canal system, as called for by the plans of the St. Lawrence deep waterway project, will at once change the present sorry condition. It will put the Ontario market within economic reach of Nova Scotia coal fields. What would $100,000,000 worth of new business mean to Nova Scotia miners, merchants and transportation companies?

Basic Industry

"Now, unfortunately, the mining problem is not the only major problem in the Maritime provinces. The great basic industry of agriculture is in a very low condition. In Nova Scotia alone millions of dollars worth of foodstuffs which could and should be produced in the province are imported from outside the maritime provinces every year. Nothing but fish and potatoes is exported. Take cheese. In 1926 Nova Scotia produced the ridiculously low total of 31,357 pounds of cheese, whereas Ontario produced 115,078,804 pounds in the same year. Shipments of milk and cream from a radius of 200 miles of Montreal to the United States now run well over $8,000,000 per year. The maritime provinces ship no milk or cream to the U. S., although there is a logical market in the New England states. Read this, from a news item from Yarmouth, July 13, last:

"'The possibility of the Boston market . . . . being captured by Nova Scotia producers was seen here tonight, when it became known that J. E. Harper, president of the Guernsey Breeders Association of the United States, and special representatives of the Boston Health Board, were conducting a survey in Yarmouth county. Mr. Harper pointed out that while there was a relatively high duty on butter going into the United States, the duty on fresh cream was less than five cents per quart, which could easily be absorbed. He said the market was unlimited . .'

Strategically Located

The Maritime Provinces have the farms well able to produce sheep, high grade bacon hogs, and cattle. Necessary field crops and roots for feed can be grown. The pasturage is excellent. These provinces are strategically located for exporting bacon, beef, mutton, cheese, milk, cream, eggs and butter. Great Britain alone buys enormous quantities of these products. Denmark gets the bulk of the business.

Before the Maritime livestock and dairy man is able to compete successfully in foreign markets, and even to compete with other sections of Canada for Maritime requirements, he must have cheaper millfeeds, cheaper corn, cheaper oilcake. Argentine corn is brought in to Halifax and Saint John, and slowly and expensively discharged from vessels by manual labor. Tubs are filled in the vessels' holds and hauled out by the ship's tackle to be dumped into box cars alongside. These cars are then switched to the grain elevators to be unloaded. The ship is kept a long time in port discharging, hence the rate must include payment for this detention. Manual labor, and use and switching of cars is slow and expensive. In the end the farmer who feeds this corn pays the piper.

Flour Mills for Maritimes

"Argentine corn is not bothered much by competition from Chicago corn, on account of the prohibitive rail rate from Chicago; therefore the price can be held up. Millfeeds, vital to dairy cattle and swine, must be brought in from the West at high domestic freight rates. The farmer in Ontario and Quebec can buy it at from $6 to $10 per ton cheaper than the farmer in Nova Scotia and New Brunswick. The answer is, of course, flour mills for the Maritimes. There is not one mill in either of the three provinces now. The reason for this lack of flour mills is want of cheap raw material, wheat. It cannot be brought down by rail on a low enough basis of cost to enable a Maritime mill to compete with mills located west of these provinces. Wheat cannot be brought down in enough volume by rail to enable our ports of Halifax and Saint John to get their proper share of Canada's export grain business. Of the 1925-26 Canadian export wheat traffic, they handled only 834,339 bushels, compared to the handling of over 113,500,000 bushels of Canadian wheat by the U.S. Atlantic ports.

There have been many great efforts made to secure for Canadian Atlantic ports their proper share of purely Canadian grain traffic. They have all failed. When the Maritime people realize that the St. Lawrence deep waterway will solve their basic problems of cheap transportation of coal to Ontario, movement of grain and other products via their ocean ports, and establishing of a large flour milling industry to capture the nearby export markets of Newfoundland and the West Indies, and share in the export sales to European markets; and to supply cheap millfeeds to livestock and dairymen, they will be enthusiastically for the development of the waterway without delay.

"Now, I have told you that the large lake carriers will, upon the completion of the deep waterway, be able to move wheat direct from the head of the lakes to Montreal for approximately 4 cents per bushel. The bulk of the crop will be transferred to ocean vessels there and at the Port of Quebec. A number of these vessels (suitably equipped and strengthened for salt water) will proceed on down the river to Halifax with loads of grain, at a premium of about 1 cent per bushel over the Montreal rate, of 5 cents. Owing to the cost of extra insurance premiums on ocean vessels proceeding up the St. Lawrence, and to the extra time required therefore, these ocean vessels will be willing to absorb the one cent if they load at Halifax, which is closer to Liverpool than St. Lawrence ports, and which does not impose extra hull insurance premium on the ocean vessel. Halifax will then be on an even basis with Montreal and Quebec for grain export during the summer months. In the winter months, with large quantities of winter storage grain brought down by cheap water rate of 5 cents during the fall of the year, Halifax will be in a unique position. Compare her position with New York.

"The rate from lakehead to Buffalo is approximately 2½ cents, and from Buffalo to New York, .091 cents per bushel, or a total of over 11½ cents. This gives Halifax the advantage of 6½ cents over New York on grain that has been brought down by water. For further supplies which are brought to Halifax during the winter months by rail from inland elevators, the cost will be even with New York, .091 cents per bushel. On the average rates, Halifax will get the big volume of business away from the U.S. Atlantic ports. Saint John also will be a big gainer on a winter rail movement as soon as the swing of the flow of grain traffic is taken away from U. S. Atlantic ports via Buffalo.

"In order to enable the lake freighter to land grain at Halifax for only one cent more per bushel than Montreal or Quebec, it will be necessary that each vessel secures a return load of Nova Scotia coal for Quebec, Montreal, Toronto, Hamilton or intermediate ports. For carrying a 12,000 to 14,000 ton load of coal to Toronto or Hamilton, she will require a freight rate of about 50 cents per ton. This is cheaper than you now land coal by water at Montreal, owing to the fact that the present coal colliers must return light to Sydney, thus forcing the coal to pay the cost of the round voyage. It will be clearly seen then that the control over the quantity of grain which may move to Halifax by water is the quantity of coal that can be sold for shipment by water to the central provinces.

Halifax will need much more elevator capacity for this business. These elevators will require to be

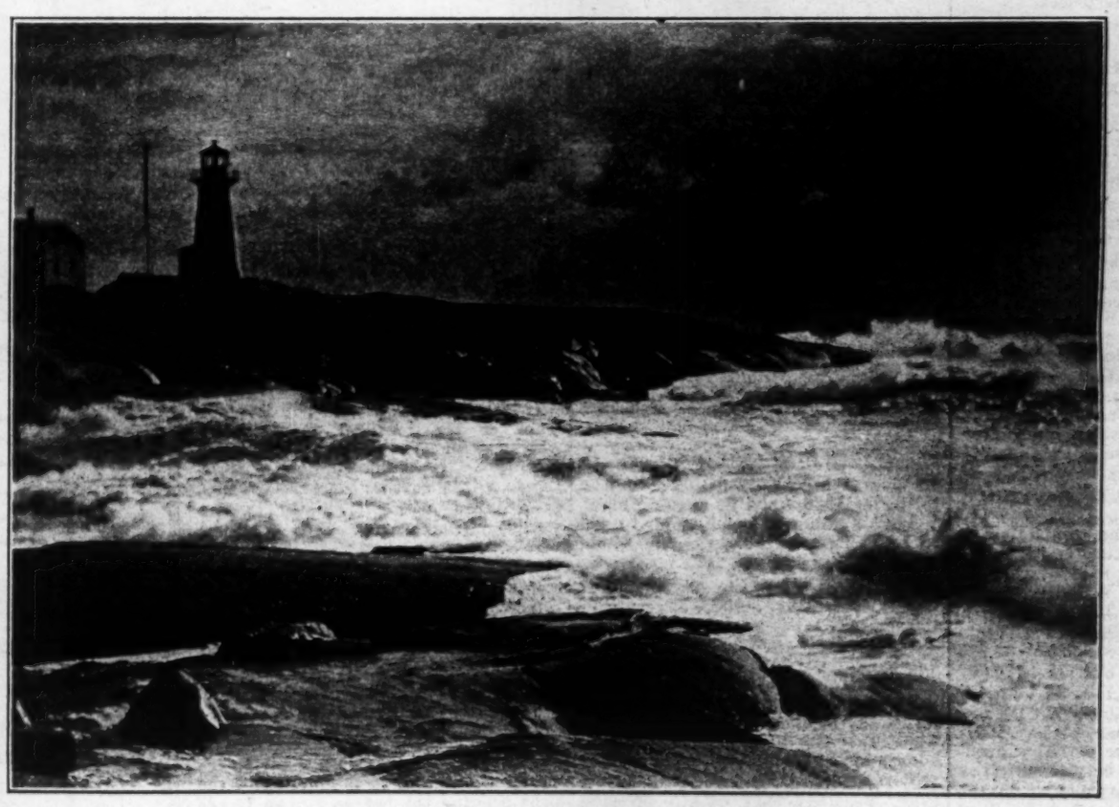
(Continued on page 41)

Potato Digger in Action

To cope with the many millions of tons grown annually it would be impossible to dig by manual labor, and it is a common sight in New Brunswick to see automatic diggers ploughing up the tubers ready for market.

NOVA SCOTIA

The Sea Beach of America



Nova Scotia is the one Province of Canada where the visitor may find almost everywhere that unmistakable tang of the sea known only to those who go down to the great deep.

". . . the call of the running tide is a wild call and a clear call that may not be denied."

Next Summer — Nova Scotia

DEPARTMENT OF NATURAL RESOURCES HALIFAX

AGREEMENT MADE WITH WEST INDIES AFFECTS MARITIMES

Five Steamers Being Built in Britain to Carry Products to and from Canada

Of interest to the Maritime ports are the arrangements which have been completed recently for the implementing of the provisions contained in the Canada West Indies Trade Agreement of 1925, relative to an improved steamship service between Canada and the British West Indies. Legislation was passed in the spring providing for the creation of the Canadian National (West Indies) Steamships Limited tne stock of which will be entirely owned by the government. This company has contracted already for five steamers which are being built in the Old Country, and will be put into service as soon as possible, it is hoped that the first sailing of the new steamers will be in December, 1928.

At the present time the service between Canada and the islands is being maintained by two steamers of the Canadian Government Merchant Marine, formerly freight boats, but now converted into three-class passenger ships, supplemented by freight boats. This service is to Bermuda, St. Kitts, Antigua, Montserrat, St. Lucia, Barbados, St. Vincent, Grenada, Port of Spain, Trinidad, and Georgetown, British Guiana. Another service operated by the Merchant Marine runs to Bermuda, Nassau, Bahamas, Kingston, Jamaica and Belize, British Honduras. Both of these routes will be taken care of by the new steamers now being built.

The trade relationship between Canada and the British West Indies was fostered by the Canadian West Indies Trade Agreement of 1913, under which certain of the colonies granted a preference of 20 per cent. to Canada on a specified list of articles. By the agreement of 1920, all the British colonies in the West Indies as well as British Guiana and British Honduras, granted a preference ranging from 10/50 per cent. of duties imposed. The preference applied to all Canadian products except a few articles specially provided for. Canada gave a preference to most West Indian products of 50 per cent. of the duties imposed by the Canadian General Tariff Schedule. The products of Canada and the products of the West Indies are entirely non-competitive. They take flour, meat, fish and manufactured products, whereas we need their sugar, fruit, cocoa, spices, etc.

In 1913 Canada's imports from the West Indies were valued at $10,000,000; in 1924 they had risen to $22,000,000. Canadian sales in that market grew from a value of $5,000,000 to a value of $13,000,000 during the same period. In 1925 a further Canadian West Indies Conference was held at Ottawa, but new concessions from the islands did not make any substantial change in their general rates, yet the preferences granted on many specific articles are so generous as to give Canada virtually control of the market. During the three months ending June 30th, last, shipments of Canadian flour to the colonies who joined in the treaty were valued at $1,373,000. Meats, canned goods, salted and dried fish, dairy products, potatoes, oats, apples, etc., all enjoyed sufficient preference to command the market.

It is expected that Canada will take a very large proportion of the sugar produced in the different islands. The demand for cocoa will grow, and it is hoped that when the necessary transportation facilities are available a fruit trade direct to Canada will be established. In the three months ending June 30, last, Canada imported from the United States bananas valued at $1,875,000. Grapefruit, limes, sweet potatoes, etc., should also be imported direct.

For the Canadian winter tourist no trip could be more enjoyable than to go down through the British West Indies, taking either route of the Merchant Marine Steamers. The climate is extremely pleasant, and at several points hotel accommodations are excellent, and golf, tennis, bathing, etc., available. Bermuda, Nassau, Jamaica, Barbados and Trinidad may be specially recommended.

In order that the fullest advantage may be taken of the trade agreement it is important that the people of Canada and those of the British possessions in the south, should come to know each other as well as possible.

At an interview with a representative of the firm of Samuel Dobree & Sons, old established merchant bankers and West India merchants of London and Halifax, Nova Scotia, the opinion was expressed that the outlook for large Canadian trade with the West Indies was exceedingly bright.

MARITIMES BOOST BETTER BUSINESS FOR COMING YEAR

Orders from These Provinces Should be Materially Greater Than Year Ago

Business conditions in the Maritime provinces are much improved this year. This factor, combined with the betterment experienced in 1926 over 1925, means that executives who look to the Maritimes to obtain distribution for the products of their plants should find that orders from the Maritimes this winter should be materially greater than a year ago. It means also that companies operating exclusively in the Maritimes or business men whose fields lie only in these three provinces should be doing a larger and more satisfactory business.

The three provinces are not lagging behind other sections of the Dominion in producing satisfactory crops. The apple crop of New Brunswick is estimated at as large as last year and Nova Scotia's greater. A fairly average crop will loom up the more importantly this year by reason of the reported light crop in the Eastern States, the chief competitor in the British market. A potato crop of much above the average is promised, with as much as a 40 per cent. increase in the Annapolis Valley of Nova Scotia and a substantially enhanced volume for export in New Brunswick. Prince Edward Island also expects to eclipse previous records. Government authorities have been visiting the potato markets and predict a much larger demand this year.

Farm Products

The production of other farm products is prospering. The output of dairy products and small fruits shows a gratifying increase and a new and promising industry to develop in Nova Scotia is the shipment of live hogs. Government attention is being directed towards the blueberry industry and arrangements for new growth made. The livestock of the area is receiving wide attention and recently a Nova Scotia bull was purchased by the New Zealand government. Agricultural surveys are general in the area, and in New Brunswick the Development Branch of the Canadian Pacific Railway in co-operation with Macdonald College, Quebec, is conducting experiments to ascertain the value of gypsum in connection with potato culture.

The time is propitious for the advent of new population which the provinces are seeking more aggressively. New Brunswick is the first province to cooperate with the British and Canadian Federal Government in a scheme of assisted British land settlement to be inaugurated next spring.

In the mining industry things are brighter. Both New Brunswick and Nova Scotia increased their mineral productions in 1926 over 1925, and further increments will be recorded in 1927. The coal mines of Nova Scotia increased their output by 30 per cent. in the first nine months of the year. Fourteen gold mining companies are in active operation in Nova Scotia this year and some promising new finds have been reported. A diatomaceous earth property near Digby has been acquired by a Montreal syndicate and is to be developed, while other deposits in the same province are being looked into by the same syndicate. Interest is extremely pronounced in the province's gypsum deposits.

The old established industries of lumbering and fishing are receiving more pertinent attention with a view to further improving conditions and expanding markets. Pulp and paper production, through new establishments, is coming to play a more important part in wood products' revenue. A commission is investigating all phases of the fishing industry of the Maritimes, one of the chief objects being to determine what action could be taken to enlarge markets. Considerable industrial expansion is apparent. A total of 94 new companies was incorporated in Nova Scotia alone in the first seven months of 1927 with a capital of $15,800,000.

Pulp and Paper Projects

Two, and probably three, new pulp and paper projects will very shortly be under way in New Brunswick and after years of waiting Nova Scotia is also to obtain a paper mill. It is anticipated also that a second paper mill project in Nova Scotia will shortly be announced. Two new hotels are springing up in Halifax.

Most striking are the growing popularity of the Maritime provinces, with holiday visitors and the growing revenue from this source. Tourist traffic in Nova Scotia has, according to report, doubled this year over last. An enormous increase is similarly shown in New Brunswick. Up to July 31, more than 67,000 automobiles had entered this province from outside points, as compared with 42,000 for the corresponding period of 1926. The fame of the varied beauty of these lovely provinces is steadily extending.

The same stimulation of activity is apparent in practically all directions. Prince Edward Island is devoting serious attention to the canning of fish in which Nova Scotia has attained such success. Fruit canning and processing is expanding considerably in Nova Scotia. Throughout the Maritimes, the domestic fur industry is growing as evidenced by the formation of the Chinchilla Rabbit Breeders' Association in Nova Scotia and the incorporation of the Maritime Muskrat Company with capital of $50,000 in New Brunswick. Taking all this in combination with the increased traffic already apparent from Maritime ports and their energetic efforts after more, an entirely new and more prosperous era would seem to be opening up for the Maritime Provinces, for which their own people are directly responsible.

All of which can mean but one thing to the business man, namely, that business in the Maritimes is indeed good. But the business man needs more than a resume of activities and developments in these provinces upon which to base his plans.

While it is impossible to give the 1927 figures on this years progress, nevertheless the figures of 1926 and other years coupled with the expansion which is taking place provides a good basis from which it is possible to view the actual present day conditions in the Maritimes from a business standpoint. A tabloid survey of business conditions in the Maritimes, taken from The Financial Post's Yearbook of Canadian business follows:

REVENUE FROM ALL SOURCES
Three Provinces

1925	$331,700,000
1926	347,283,250

REVENUE FROM CHIEF SOURCES
Nova Scotia

	1925	1926
Agriculture	$39,500,000	$43,153,600
Mining	19,500,000	28,177,510
Fishing	9,950,000	12,300,000
Manufacturing	74,000,000	60,000,000
Forestry	6,600,000	7,000,000
Furs	266,935	273,000

New Brunswick

	1925	1926
Agriculture	$31,500,000	$37,352,050
Mining	2,100,000	1,607,610
Fisheries	6,750,000	4,900,000
Manufacturing	64,114,006	72,000,000
Forests	18,100,000	20,000,000
Furs	248,547	245,000

Prince Edward Island

	1925	1926
Agriculture	$19,500,000	$23,698,380
Fisheries	1,650,000	1,650,000
Forests	680,300	650,000
Manufacturing	4,500,000	3,500,000
Furs	471,772	350,600

ASSESSED VALUE OF PROPERTY

Prince Edward Island	$ 23,000,000
Nova Scotia	168,416,410
New Brunswick	150,000,000

MANUFACTURING INDUSTRIES
(1924)

	P.E.I.	N.S.
Number of plants	313	1,166
Capital invested	$2,637,844	$108,535,273
Employees	2,271	16,093
Salaries & wages	$ 548,496	$ 11,554,000
Materials used	$2,281,398	$ 38,930,734
Value of products	$3,720,874	$ 64,573,092

New Brunswick

Number of plants	846
Capital invested	$22,357,818
Employees	15,805
Salaries and wages	$12,812,718
Materials used	$40,503,685
Value of products	$67,456,026

Manufacturing in Chief Cities, 1924

	No.	Employees and Salaries Wages	Value of Products
		$	$
Prince Edward Island—			
Charlottetown	362	314,122	1,444,787
Summerside	52	37,102	220,979
Nova Scotia—			
Sydney	1,604	1,453,032	6,540,934
Dartmouth	925	1,177,812	15,199,240
Halifax	2,806	2,608,747	10,131,247
New Glasgow	798	826,552	3,766,718
Truro	659	551,931	2,792,519
Yarmouth	662	531,238	2,478,979
Amherst	844	752,107	2,603,336
New Brunswick—			
St. John	3,711	3,573,265	26,552,152
Bathurst	818	790,832	4,619,078
St. Stephen	666	632,415	3,239,539
Moncton	887	790,692	2,846,907
Edmundston	295	400,391	2,883,911
Fredericton	813	714,258	2,656,229
Chatham	571	337,410	1,776,189
Campbellton	453	412,665	2,191,239
Newcastle	425	313,270	1,467,517

CHIEF FARM OUTPUT
Prince Edward Island

	1925	1926
Livestock	$1,908,000	$1,100,000
Field crops	15,417,000	16,182,380
Dairy products	3,406,000	3,200,000
Poultry products	1,144,000	1,200,000
Fruits & vegetables	250,000	250,000

Nova Scotia

	1925	1926
Livestock	$2,994,000	$1,900,000
Dairy products	10,049,000	10,250,000
Field crops	18,885,000	22,130,600
Poultry products	1,053,000	1,300,000
Fruits & vegetables	5,476,000	7,000,000

New Brunswick

	1925	1926
Livestock	$2,682,000	$2,100,000
Field crops	25,861,000	24,319,050
Dairy products	7,934,000	7,900,000
Poultry products	1,204,000	1,275,000
Fruits & vegetables	1,203,000	1,100,000

WATER POWER DEVELOPMENT
New Brunswick

Power generating stations, no.	22
Primary power development, h.p.	36,058
Number of customers	27,759
Domestic light	21,955
Commercial light	5,040
Power	764

Prince Edward Island

Power generating stations, no.	10
Primary power development, h.p.	1,877
Number of customers	3,717
Domestic light	3,061
Commercial light	586
Power	70

Nova Scotia

Power generating stations, no.	36
Primary power development, h.p.	37,922
Number of customers	40,315
Domestic light	31,677
Commercial light	7,345
Power	1,303

BUILDING CONTRACTS AWARDED

Resident	$1,074,600	$ 782,000	$ 614,500
Business	3,217,700	3,887,000	3,078,200
Industrial	334,000	187,000	186,000
Engineer	4,213,100	3,643,000	5,045,000
All	$8,849,400	$8,499,000	$8,873,700

AUTOMOBILE REGISTRATIONS

	Passenger P.E.I.	N.S.	N.B.
1923	2,331	16,084	15,433
1924	2,460	18,334	18,310
1925	2,824	20,012	*17,420
	Reclassification Commercial P.E.I.	N.S.	N.B.
1923	99	2,019	1,185
1924	100	2,270	1,448
1925	114	2,563	1,342

By Chief Cities
Prince Edward Island
Passenger and Commercial

Charlottetown	667
Summerside	305

Nova Scotia

	Passenger	Commercial
Halifax	2,521	516
Sydney	976	161

New Brunswick

	Passenger	Commercial
St. John	2,594	331
Moncton	1,334	119
Fredericton	594	81

BANK DEBITS IN CHIEF CITIES

	1926 July	1925 Whole Year
Halifax	$32,658,837	$291,519,137
Moncton	7,721,787	72,670,817
St. John	18,189,991	208,309,576

LIVING CONDITIONS
CLASSES OF DWELLING
Dwellings

	P.E.I.	N.S.	N.B.
Rural	14,620	62,008	49,372
Urban	4,008	40,799	21,056
Total	18,628	102,807	70,428

Class of Dwelling

	P.E.I.	N.S.	N.B.
Apartments	33	2,360	1,878
Semi-detached	838	6,705	3,312
Single	17,509	92,275	64,629
Terrace	216	1,231	335

Size of Homes

	P.E.I.	N.S.	N.B.
1 to 4 rooms	2,761	16,248	13,518
5 to 10 rooms	14,179	78,202	47,055

Families

	P.E.I.	N.S.	N.B.
Rural	14,696	63,283	51,069
Urban	4,105	45,440	25,880
Total	18,801	108,723	76,949

Persons Per Dwelling

	P.E.I.	N.S.	N.B.
Rural	4.76	4.79	5.34
Urban	4.76	5.56	5.91

Size of Families

	Dwellings	Families	Persons Per Dwelling
Prince Edward Island—			
Charlottetown	2,541	2,598	4.86
Nova Scotia—			
Halifax	9,225	11.680	6.38
Glace Bay	2,888	3.062	5.89
Amherst	1,973	2.043	5.07
New Brunswick—			
St. John	6,980	10.550	6.76
Moncton	2,957	3,463	5.91
Fredericton	1,532	1,749	5.30
Total	4.76	5.10	5.51

INCOME TAX RETURNS
Individuals

Taxable Income	Number P.E.I.	N.S.	N.B.	Amount Paid P.E.I.	N.S.	N.B.
$ 1,000 to $ 2,000	209	3,962	3,262	$ 5,519	$ 83,640	$ 67,325
2,000 to 6,000	234	2,675	2,054	9,870	97,309	84,345
6,000 to 10,000	31	325	297	6,322	73,186	69,869
10,000 to 20,000	5	145	98	5,202	110,828	85,281
20,000 to 30,000	..	17	21	....	37,534	38,754
Over $30,000	..	10	11	....	42,902	69,550
Unclassified	..	..	..	....	14,185	9,777
Total	479	7,134	5,743	$26,914	$460,271	$424,908

Corporations

Taxable Income	Number P.E.I.	N.S.	N.B.	Amount Paid P.E.I.	N.S.	N.B.
$ 2,000 to $ 6,000	19	147	132	$ 2,966	$ 21,366	$ 23,687
6,000 to 10,000	6	43	42	4,344	28,116	14,052
10,000 to 20,000	4	38	30	4,470	43,494	37,084
20,000 to 30,000	..	10	10	....	22,734	26,013
Over $30,000	..	23	25	....	269,686	238,653
Unclassified	..	..	..	....	1,807	3,198
Total	29	256	239	$11,782	$387,175	$341,692

SIZE OF FARMS

	P.E.I.	N.S.	N.B.
Number of farms	13,701	47,432	36,655
Under 5 acres	332	3,876	1,247
5 to 10 acres	397	3,972	1,465
10 to 50 acres	3,526	12,031	8,023
50 to 100 acres	5,568	12,520	13,024
100 to 200 acres	3,328	10,581	8,900
Over 200 acres	550	8,996	3,996

Ownership of Farms

	P.E.I.	N.S.	N.B.
Farms occupied	13,701	47,432	36,655
Occupied by owner	13,098	45,575	35,210
% occ. by owner.	96%	96%	96%
Occupied by tenant	277	1,004	815
% occ. by tenant	2%	2%	4%
Owner and tenant	326	853	630
	or 2%	or 1%	or 2%

BRANCH BANKS, SEPT., 1926

Number in three provinces	268

STEAM RAILWAY MILEAGE

Prince Edward Island	276
Nova Scotia	1,447
New Brunswick	1,947

TELEPHONES
(1924)

Province	Total No.
Prince Edward Island	5,437
Nova Scotia	38,498
New Brunswick	28,128
In Principal Cities*	
Nova Scotia—	
Halifax	11,086
Sydney	2,701
New Glasgow	2,118
Truro	1,445
Yarmouth	1,120
North Sydney	1,085
Amherst	1,071
New Brunswick—	
St. John	9,400
Moncton	3,324
Fredericton	2,300

*1923 figures.

ROAD MILEAGE
(1924)

	P.E.I.	N.S.	N.B.
Earth	3,640	13,871	12,204
Gravel	10	1,256	1,849
Water bound macadam	...	58	...
Bitum. macadam.	...	9	12
Bitum. concrete	...	...	...
Cement concrete.	...	...	...
Total	3,650	*15,194	14,065

*1923 figures.

BIRTH AND DEATH RATE
(Per 1,000 population)

	P.E.I.	N.S.	N.B.
Birth rate, 1923	22.2	21.9	27.0
Death rate	13.0	12.9	12.7

POPULATION CHARACTERISTICS
CHIEF RACIAL ORIGIN
(1921)

	P.E.I.	N.S.	N.B.
Total British	75,627	407,618	253,002
English	23,313	202,106	131,664
Irish	18,743	55,712	68,670
Scotch	33,437	148,000	51,308
Other	134	1,800	1,360
French	11,971	56,619	121,111
Dutch	239	11,506	3,638
German	260	27,046	1,698
Hebrew	21	2,161	1,243

CHIEF RELIGIONS

	P.E.I.	N.S.	N.B.
Methodists	11,408	59,065	34,872
Anglicans	5,057	95,604	47,020
Presbyterians	29,945	109,860	41,211
Roman Catholics	39,312	160,802	170,319
Baptists	5,316	86,833	86,254
Lutherans	...	8,077	378
Jews	18	1,974	1,213
Greek Church	5	950	116
Salvation Army	108	2,071	736

AGES AND SEXES, 1921
(Male)

	P.E.I.	N.S.	N.B.
Up to 20	4,463	25,948	19,644
20 to 24	3,520	21,520	15,895
25 to 29	2,994	19,289	14,076
30 to 34	2,486	16,317	11,884
35 to 39	2,564	16,550	11,879
40 to 44	2,293	14,747	10,372
45 to 49	2,068	13,812	9,573
50 to 54	2,068	11,793	8,336
55 to 59	1,802	8,899	6,500
60 to 64	1,558	8,575	6,127
65 to 69	1,716	6,779	4,760
70 to 74	1,189	5,015	3,481
75 to 79	831	3,565	2,227
80 to 84	411	2,036	1,165
85 to 89	172	885	471
90 to 94	39	222	125
95 to 99	10	47	30
100 and over	...	13	4

AGES AND SEXES, 1921
Female

	P.E.I.	N.S.	N.B.
Up to 20	4,247	25,911	19,358
20 to 24	3,512	22,261	16,441
25 to 29	3,067	18,922	13,953
30 to 34	2,467	15,658	11,726
35 to 39	2,524	15,198	11,157
40 to 44	2,250	13,191	9,546
45 to 49	2,106	12,287	8,392
50 to 54	1,930	10,633	7,438
55 to 59	1,671	8,708	6,132
60 to 64	1,692	7,775	5,421
65 to 69	1,448	6,354	4,261
70 to 74	1,105	5,046	3,226
75 to 79	800	3,811	2,298
80 to 84	484	2,407	1,183
85 to 89	213	1,170	525
90 to 94	58	407	160
95 to 99	22	109	44
100 and over	4	24	4

Service in the Maritime Provinces

Founded in 1832 in the city of Halifax, this Bank has had a long and successful experience in the Maritime Provinces.

With a very complete coverage in the way of Branches — having thirty-eight in Nova Scotia, thirty-six in New Brunswick and nine in Prince Edward Island—the Bank is in a position to offer a prompt collection service and efficient banking facilities generally in these provinces.

G. S. CAMPBELL, *President*, Halifax

THE
BANK OF NOVA SCOTIA

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Depth of water over blocks, 27 feet.

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BRITISH EMPIRE STEEL CORPORATION LIMITED

CANADA CEMENT BUILDING MONTREAL, CANADA

Four Pulp, Paper Firms Operate in Maritimes and All Are Expanding

International Paper Has Large Program in New Brunswick — Status of Other Companies Outlined in Detail

There are four pulp and paper companies in which there is a large investment interest operating in the Maritime provinces. The shareholders of the Bathurst and Fraser companies are largely resident in Canada. While there is a growing Canadian interest in the International Paper Company, yet the control of the company is still in United States hands. The fourth pulp and paper organization in the Maritimes, is the Nashwaak Pulp and Paper Company located near Saint John. This company is owned by the Oxford Paper Company—one of the larger United States pulp and paper companies.

There are in various sections of the Maritimes other pulp mills, but they are small and owned by a few individuals as compared with the many thousands who have funds invested in these four larger companies.

The operations of the International Paper Company in New Brunswick are still in their initial period. Shortly the company will begin to erect a newsprint mill with a capacity of from 200 to 300 tons daily. The site of this will probably be at Dalhousie, N. B. The power development which this company is carrying out on the Saint John River is reviewed elsewhere in this issue. The status of the other three companies is as follows:

BATHURST COMPANY

The company has recently ordered a second newsprint machine which will go into operation early next year. There is space already provided in the plant for the additional machine. Thus, by the middle of 1928, the company's output of newsprint paper will be doubled. Earnings of the company this year show little variation from a year ago.

Since 1907, Bathurst has produced spruce lumber, sulphite and sulphate pulp, and, in 1923, it began its career as a manufacturer of newsprint paper. It was the first newsprint producer in the Maritimes and supplied many of the newspapers in that territory.

The company also has provisions for the installation of a third unit in its hydro electric development, which would increase the capacity of that plant by about 50 per cent. It owns its own deep-water docks and its products are shipped to all portions of the world. The company's power development at Grand Falls, on the Nepisiguit River, has a capacity of 9,000 h.p. A portion of the power requirements of the town of Bathurst, N.B., are supplied by the company.

Some time ago the Bathurst Company received legislative authority to develop storage dams and to erect another power development at a point known as "The Narrows," on the Nepisiguit River.

Would Allow Expansion

Surveys and plans for this work were undertaken many months ago. As soon as conditions in the newsprint market warrant extensions, it is understood that the Bathurst Company will proceed with the erection of the storage dams.

The development of the Narrows site would allow the company to instal two further newsprint machines with a daily capacity of 100 tons each.

The present daily capacity of the mills is 65 tons of newsprint and 70 tons of sulphate pulp. The kraft pulp production is sold largely in the United States market. Prices for the company's pulp output have been very satisfactory this year.

The plant is located at Bathurst, N. B., on tidewater. Thus, supplies and the finished product both are shipped at low rates. Bathurst controls some 2,600 square miles of timber limits distributed in eastern Quebec and the northern area of New Brunswick. In addition to cutting pulp from its own limits, the company purchases some 36,000 cords annually.

In 1925 Bathurst experienced a material betterment in its earnings. This improvement has been maintained throughout 1926 and up to date. The future expansion policy of the company seems to depend entirely on the situation which may prevail in the markets for newsprint paper, but as has been said Bathurst definitely plans to erect a new 200 ton newsprint mill at some future date.

Capitalization—

	Authorized	Outstanding
Common shares ...	$15,000,000	$10,184,200
Bonded Indebtedness—		
6½% 1st mtge. bonds, 1941		$1,299,500
7½% 1st mtge. bonds, 1941		1,238,000
(Convertible into common at par)		

Officers and Directors—
Angus McLean, president; A. E. McLean, vice-pres.; M. E. Priesch, vice-pres.; John A. Cameron, L. S. DeGraff, Gordon C. Edwards, E. R. Bremner, W. T. Eckardt, J. D. McCallum, S. B. Bond, sec.; Cyrus D. Jones, F. P. Jones, Harry L. Jones, E. S. Peck, F. L. Peck.

Income and Surplus Account
(Years end. Dec. 31)

	1926	1925	1924
Operating profit .	$853,437	$854,032	$526,988
Less:			
Interest charges	263,307	286,922	313,029
Depreciation ..	463,646	460,644	215,739
Depletion	51,985	86,808	.....
Income tax ...	6,308	3,500	.....
Net profit	$68,191	$16,158	*$1,780

FRASER COMPANIES

The Fraser Companies is again expanding. At the present time it operates three mills, two in Canada and one in the United States. The Edmundston, N.B., mill has a present capacity of some 45,000 tons of bleached sulphate pulp annually. The Chatham, N.B., mill produces 18,000 tons of unbleached sulphite pulp and the Madawaska, Maine, mill has a capacity of 20,000 tons of high grade sulphite paper annually. About half the Edmundston output goes through a pipeline to the Madawaska mill situated just across the border there to be converted into high grade paper.

Upon the completion of the construction program now in progress the company, with its wholly-owned subsidiary, the Fraser Paper at Madawaska, will have the following annual capacity:

	Tons
Edmundston, N.B.	
Bleached sulphite pulp	60,000
Unbleached sulphite pulp..	12,000
Paperboard	21,000
Groundwood pulp	24,000
Chatham, N.B.	
Unbleached sulphite pulp..	18,000
Madawaska, Me.	
Sulphite paper	51,000
Board	39,000

Started 50 Years Ago

The company and its predecessors commenced operating in 1877. It has steadily developed and been expanded during the past 50 years. The Fraser Companies in addition to its large pulp and paper output is one of the largest manufacturers in eastern Canada of spruce and cedar lumber. It controls directly and through wholly-owned subsidiaries over 4,500 square miles of timber limits in Quebec and New Brunswick. To finance the expansion program now underway the company has just issued $5,000,000 in debentures. In addition, the common shares were split three for one and changed from $100 par value to no par value.

In addition to the expansion noted in the foregoing, the company is constructing a high tension transmission line approximately 40 miles in length from Grand Falls to Edmundston, N.B. Power for the operation of the additional units now being installed will be obtained over this line under long term contract from the Saint John River Power Company. It is understood that the initial unit of the company's present expansion program will be in operation on January 1 next and that additional units will come into production in March and October of the next year. The whole expansion program will be completed by November 1 next when the company's output of pulp and paper for sale will amount to 430 tons per day.

The company operates thirteen saw mills in Quebec and in New Brunswick with a large lumber production which is further augmented by the company's ownership of all the shares of Stetson-Cutler and Company, Limited.

The company has developed steadily in ten years from the principal lumber manufacturer in Eastern Canada to a well rounded out organization having as its chief source of income its output of pulp and paper products.

Earnings this year are substantially in excess of those of the corresponding period of a year ago, and the company is maintaining itself in a strong liquid position The results which have been achieved are such that the present expansion program has been initiated.

The Fraser Companies are fortunate in that about half the production of sulphite is sold to the wholly owned American subsidiary, which is reported to be making substantial earnings. Thus, the company obtains a satisfactory market for its production. The company's own power plant produces 2,000 h.p.

Capitalization—

	Authorized	Outstanding
Common ..... (No par value)	$12,000 shs.	800,000 shs.
Preferred ..... (7% cumulative convertible)	3,000,000	2,325,000

Common stock all owned by Fraser family and by employees of the company.

Funded Debt—
First mortgage 6% bonds, series "A", due 1950, $7,664,500.
Gold deb., 6½%, due 1942, $5,000,000.

Dividend Record—
Dividends on preferred paid regularly, Jan., Apr., July and Oct 1, initial payment of 1¾% being made Apr., 1925. On common stock dividends at the rate of 2% per annum payable quarterly Apr., July and Oct. 1. First paid, April, 1926.

Officers and Directors—
A. Fraser, pres. and gen. mgr.; D. Fraser, vice-pres.; W Matheson, sec.; T. Matheson, A. W. Brebner, treas.; W. C. Pitfield, Geo. H. Mead, J. H. Price.

Profit and Loss—

	1926	1925	1924
Profits	$1,561,825	$1,133,071	$1,129,324
Less:			
Interest ..	$511,987	$373,821	$376,693
Depreciation	291,698	224,067	220,495
Depletion	147,728	146,654	174,012
Dis. on secs.	84,500	123,000	91,500
	$1,035,913	$867,540	$862,700
Net profits	$525,912	$265,531	$266,624
Pref. dividends	157,350	109,868	.....
Com. dividends	200,000	.....	.....
Prem. on bonds	.....	241,530	.....
Surplus for yr.	$168,562	*$85,876	$266,624
Prev. surplus	1,182,409	1,268,278	1,001,654
Total surplus	$1,350,971	$1,182,409	$1,268,278

*Deficit.

Market Record—

Year	Preferred High	Low
1927 (to date)	102	96

NASHWAAK PULP

Thirty years ago the Cushing Sulphite Fibre Company, Limited, of Saint John, N.B., was organized and incorporated to construct a mill for the manufacture of unbleached sulphite pulp. The moving spirit in the enterprise was George S. Cushing, a member of the firm of André Cushing & Company, who had been long identified with the lumber industry of New Brunswick.

Mr. Cushing obtained the co-operation of Captain Edward Partington of Glossop, England, who owned a controlling interest of the Kellner-Partington Paper-Pulp Company, Ltd., operating paper mills in England, and large pulp and paper mills at Boregaarde, Norway and Villach, Austria. A large amount of local capital was also invested.

In 1898 construction was started on a three ten-ton digester sulphite mill at the Reversing Falls, Union Point, Fairville, N.B., adjacent to the site of the large saw mills operated by André Cushing & Company, and two years later the manufacture of unbleached sulphite was begun. At first the waste wood from the saw mills was utilized for the manufacture of pulp, and also for steaming purposes.

To supply the mill with water the City of Saint John laid a new 24 inch water main from Spruce Lake to Fairville, supplementing the 18 inch pipe which prior to that time supplied the residents of Lancaster and West Saint John.

In 1906 the Edward Partington Pulp & Paper Company was organized, and acquired the plant with Joseph R. Clarkson, formerly with Kellner-Partington Paper-Pulp Company Limited, as manager, and H. W. Schofield of Saint John, secretary-treasurer.

A fourth digester was added, which materially increased the output of the mill, and in 1909 a bleaching plant was installed, and the company engaged in the manufacture of bleached sulphite pulp.

Efforts were made to obtain timber limits within the province which would provide the necessary requirements of pulpwood, and in 1912 the company purchased the timberlands of the Alex. Gibson Railway and Manufacturing Company. Negotiations were carried on through the late Senator N. M. Jones of Bangor, Maine, representing the Consolidated Pulp & Timber Company, who had obtained an option on the property.

The same year Mr. Jones succeeded Joseph R. Clarkson as general manager of the company, and a period of expansion began.

A siding was constructed from the Canadian Pacific Railway yard at Fairville to the mill, a large warehouse was built alongside the track and a pulp conveyor direct from the machine room to the warehouse. Important improvements were also made in 160 inch pulp machine.

The daily production of the mill was increased from 45 to 60 tons per day, business increased, and the stimulus to the pulp and paper trade occasioned by the Great War added greatly to the prosperity of the company.

During the year 1916 the entire holdings of the Edward Partington Pulp & Paper Company Limited were purchased by the Oxford Paper Company of Rumford, Maine, and its associates, and the name was changed to Nashwaak Pulp & Paper Company, being derived from the Nashwaak River, a tributary of the Saint John, which drains the principal freehold lands of the company. N. M. Jones was retained as general manager and Sydney M. Jones was appointed mill manager.

Further improvements and additions were made to the plant at Fairville.

A new wood room with entirely new and modern machinery was built above the falls on the site of the Cushing saw mills, which had been destroyed by fire. A belt conveyor for carrying coal was constructed from the bank at the railway siding to the boiler house, some 300 yards distant. Remodelling of the yards to the boiler house was begun, consisting of a first section of four Manning boilers and a concrete coal bunker capable of holding 300 tons of coal.

In 1922, N. M. Jones retired from active participation in the operations of the business and was succeeded by Howard E. Beedy of New York as vice-president and general-manager. Fred W. Brawn, formerly with the Brown Corporation and Frasers, Limited, succeeded Sydney M. Jones as mill manager.

Under the new management a large amount of money was expended in remodelling the entire plant and bringing it up-to-date.

Among the changes and additions effected might be mentioned the following:

New acid tower system, 1,000 h.p. Westinghouse steam turbine and generator; equipment for receiving hydro electric power from Musquash, N.B.; salt water system for using salt water for cooling and washing purposes; riffler cleaning system; remodeling rotary screens; 106 inch cylinder pulp machine; concrete stock tanks; 16 inch water line from main at Fairville to mill; additional fire fighting apparatus; spur sidings from Canadian Pacific yard at Fairville for delivery of pulpwood, and pulpwood conveyors from siding to pond providing facilities for storing 50,000 cords of pulpwood, and a new bleach mixing system.

As a result of these improvements and changes the production of the mill has been increased from 60 to 80 tons bleached sulphite pulp per day.

In 1924, Mr. Beedy, vice-president and general manager, was called to the New York office of the company, to take active participation in the executive end of the organization, F. W. Brawn remaining as mill manager.

During the next two years minor improvements were made throughout the plant in connection with wood handling and screening system, for further improvement of pulp quality.

In 1926, R. W. Hovey, formerly of the Abitibi Company, as president of the Abitibi Research Corporation, was brought to Saint John to take over the position of general manager, Mr. Beedy remaining as vice-president of the company.

At the present time plans are under way for several major improvements in the plant tending towards lower cost of production and more efficient operation and improved quality. A new powdered fuel boiler house is to be installed to burn Maritime coals efficiently; new wood handling system is being installed to handle four foot wood direct from the car to the mill, to do away with pond operation in the winter months.

Equipment has been relocated to provide for more efficient handling and preparation of the wood for higher quality pulp. Improved system of cooking is under process of trial and several other changes are under way. A larger and more efficient laboratory and engineering organization is being developed, to provide most modern and efficient control of the manufacturing process.

Production has been increased to 85 tons per day No. 1 bleached sulphite.

As result of the many changes that have been made in the Nashwaak plant, Nashwaak pulp to-day is recognized as a standard of quality in the bleached sulphite market, and with the projected plans should constitute a modern and efficient bleached sulphite development.

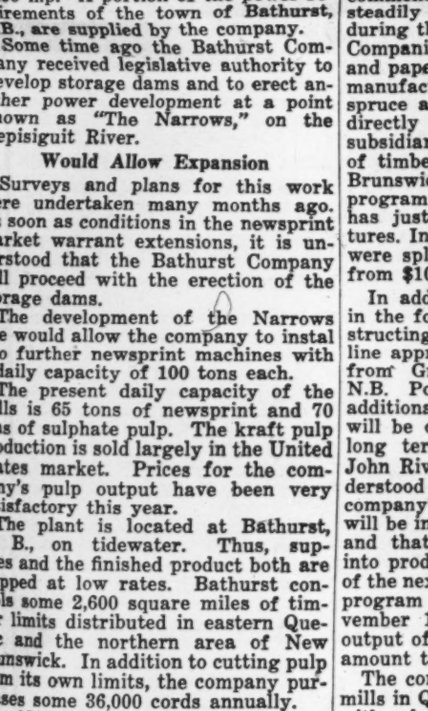
The woodlands operations of the company have not been neglected. Careful surveys have been made of the timber limits, growth studies are under way, and natural reforestation developments have been closely studied in connection with the timber limits of the company.

The present executive consists of, Hugh J. Chisholm, president, C. A. Gordon and Howard E. Beedy, vice-presidents, F. E. Tufts, treasurer, at New York office, and at aSint John, R. W. Hovey, general manager, F. W. Brawn, mill manager, C. W. Alden, woods manager.

Land of Evangeline is Filled with Romance

New Brunswick was first settled by the French; its history is filled with romance. Cabot was the first known white man to visit it in 1497—he landed somewhere on the north shore. His discovery was apparently not valued very highly by the English King, as the expenditure account for that year, preserved in the English Museum, contains the item "to hyme that founded the New Isle, £10." In 1604, three adventuring French nobles, Champlain, DeMonts and Poutrincourt, sailed into the mouth of "a great river" on Saint John's Day, June 24th, and named the river in honor of the Saint. The only habitation they found was on the little island in the harbor—an Indian fort and village. Champlain then claimed the land for the French King. The years that followed tell the story of rivalry between the traders, the brave defence of her husband's fort by Lady La Tour, with its tragic sequal, and many other heroic incidents. New Brunswick was part of Evangeline's land and in the early days of strife sheltered Evangeline's friends in her kindly forests. Later she opened her doors and heart to the brave patriots of 1783, who, for loyal allegiance, gave up all to face privation and hardship and founded Saint John, the city of the Loyalists, and later, St. Andrews, Maugerville, and other settlements in the province.

From the Indian aborigines of the province come interesting legends of the country and of their hero Gluskap. "Once upon a time," the beaver was a huge beast and threatened man's existence—then came Gluskap in his canoe, which was an island, and hunted the wicked beaver and shattered the dams which he had built to flood the country—so they made him chief of all the tribes. Part of the dam at the Reversing Falls at the mouth of the Saint John River floated out through the harbor and became Partridge Island, and the Indian name for the island was "kikw Mikhigin"—a sod broken away. Gluskap journeyed up the river on snow-shoes and at Kingsclear he removed his snow-shoes and there they can be seen to-day, the two islands in the river—"Gluskap's snow-shoes." And at Grand Falls, he broke another beaver dam and released that great cataract. And all the Indian names through the province have a meaning —Restigouche, Washademoak, Passamaquoddy, Kennebecasis, Miramichi, Tobique, Pokiok, and many, many more.



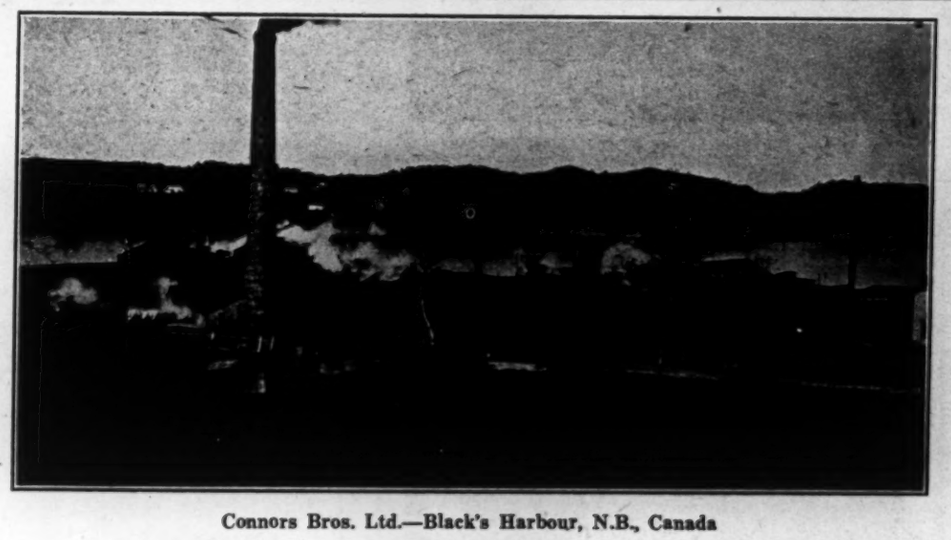
Showing Chief District Served.

Soundly Expanding

THE company's initial development on the Avon River at the Hemlock Hill power station has an installed capacity of 2,600 horsepower; construction work has been commenced on a second development on the same river, at Avon Falls, about a mile above the original plant, which when completed will have an installed capacity of 4,350 horsepower. The White Rock power station on the Gaspereaux River has a total installed capacity of 1,100 horsepower, making the total installation in the three plants in excess of 8,000 horsepower.

The company has under consideration the acquisition of other power sites located in proximity to its present installation which have a total potential capacity of 6,500 horsepower.

The Avon River Power Co.
Limited
Head Office: Windsor, N.S.


Connors Bros. Ltd.—Black's Harbour, N.B., Canada

A Million Dollar Industry!

FEW Canadians realize the growing importance of the Sardine Industry at Black's Harbour to this Dominion. This year, Connors Bros., Ltd., will export over 15,000,000 tins of sardines to all parts of the world.

The famous "Brunswick Brand" Sardines *are* favourites throughout the British Empire — in Singapore, Aukland, Capetown—even in Palestine, "Brunswick Brand" are as well known as in the cities of our own country.

Packed by the largest and most up-to-date packers of sardines in the British Empire, our large production allows us to quote very low prices, and the food content value of "Brunswick" Sardines leads the world. Other leading Brands—Jutland and Glacier.

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Connors Brothers
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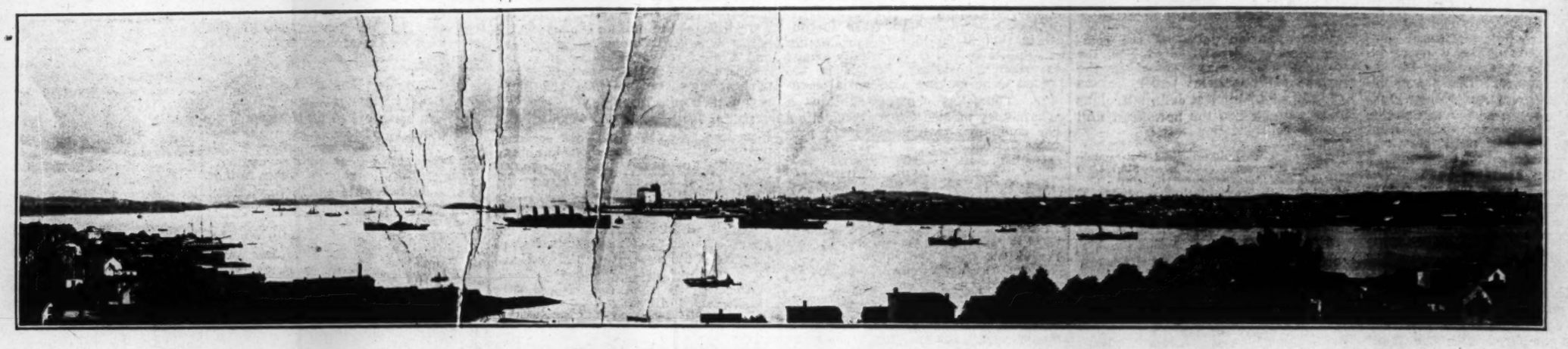
Black's Harbour, N.B. Canada

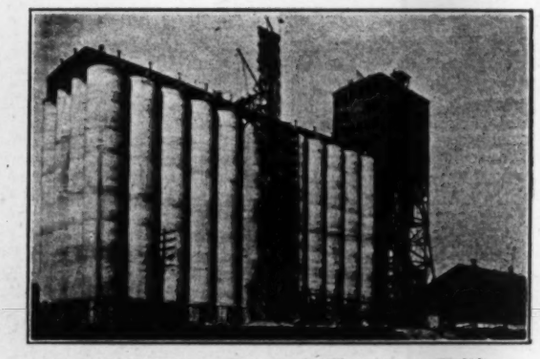
Showing Up-to-Date Sealing Machinery.

Here's Where the Sardines Are Packed.

"Eastern Gateway to the Dominion"



11,000,000 Tons of Shipping Entered and Cleared Halifax Harbor in 1926



New C.N.R. Ocean Terminals Elevator at Halifax. Capacity 1,030,000 Bush.

C.N.R. Pier No. 2, one of the finest on the Atlantic Seaboard.

View of Halifax City and Harbor.

The total gross tonnage of ocean-going steamships alone for 1926, totalled 11,151,670. The export and import business for 1926 amounted to $64,817,421 and the increase over the previous year of freight tonnage was in the neighborhood of 160,000 tons; in fact, the tonnage of the port during the past seven years has practically doubled.

Route Your Exports and Imports via the Port of Halifax

36 Steamship Lines make Halifax

their Terminal or Port of Call, connecting it with the principal ports of the World.

The Finest Harbor in the World

Open all the year round.
Easy of access at all hours and weathers.
Deep, bold water—low harbor costs.
Rise and fall of tide from 4 to 6 feet only.
The nearest Port to the United Kingdom.

Freight Rates — HALIFAX

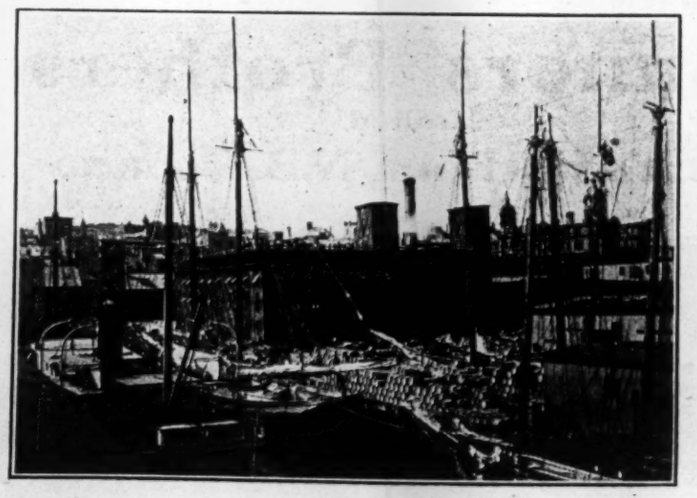
enjoys the same export and import rates as all North Atlantic Ports and has many advantages.

Write the City Clerk or Secretary of the Board of Trade

The Port of HALIFAX

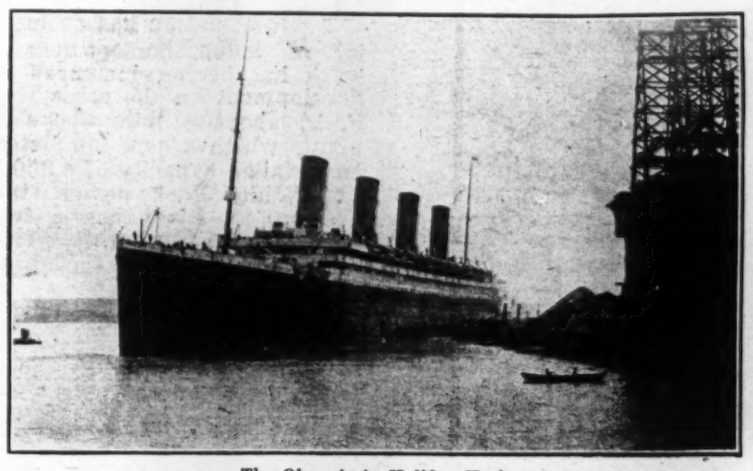
The Atlantic Gateway of Canada

The Best Distributing Point in the Maritime Provinces



Shipping Activity in Halifax Harbor Showing Custom House and Post Office in Background.

The Old Clock on Citadel Hill.



The Olympic in Halifax Harbor.

RECORD IS REACHED IN TOURIST TRADE FOR NOVA SCOTIA

Number of Visitors is Increased by Half as Compared with 1926

An increase of fifty per cent. in the number of tourists visiting Nova Scotia this summer as compared with the summer of 1926, and an increase of 87.6 per cent. in the number of tourist motor cars entering this year as compared with last, is shown by the official figures of the Department of Highways and Natural Resources.

From June 1 to September 30 of this year, 170,484 tourists entered Nova Scotia while the total number of tourists cars entering that same period was 24,573. These figures when compared with statistics for 1926 show a great increase. During 1926 the number of tourists entering was 114,615 while the number of cars was 13,098.

Substantially Gratifying

This substantial and gratifying development of the tourist trade of Nova Scotia comes as a direct result of the effort of the government to attract summer visitors to the province. It is estimated that the value of the tourist traffic this year is over eleven million dollars and there is every reason to believe that next year this important industry will show a further substantial improvement.

Data Collected

The statistics upon which are determined the percentage increases in the tourist traffic were collected by the government at the different points of entry into the province. A record of the tourist motor cars entering Nova Scotia was maintained at the border between New Brunswick and Nova Scotia by the Provincial Highway Department. A record was also maintained at the entry ports of Yarmouth, Digby, Halifax and Pictou. The number of tourist motor cars reported as coming in at the various points of entry were as follows: Yarmouth, 865; Digby, 1,168; Halifax, 105; Pictou, 896; Overland, 21,539.

The number of tourists reported as entering at the various points of entry from June 1 to September 30 of this year was as follows:

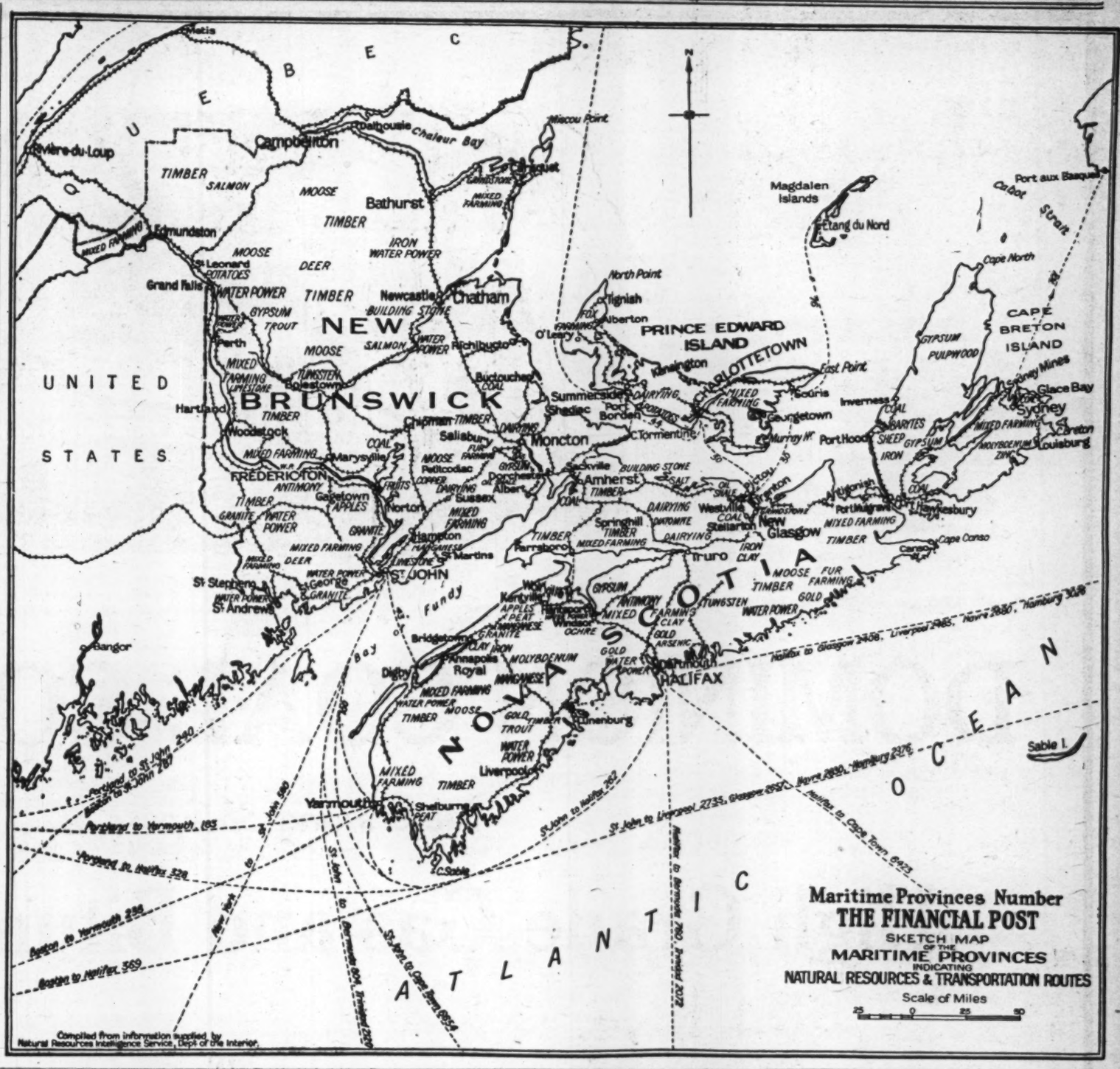
Point of Entry	Visitors with Cars	Visitors without Cars
Yarmouth	3,460	22,541
Digby	4,672	6,557
Halifax	420	1,652
Pictou	3,584	135
Windsor	....	207
By train overland	....	42,100
By motor car overland	86,156	....
Totals	98,292	72,192

Several factors enter into the reasons behind this great increase in the tourist industry and most of them can be attributed to the efforts of the government to develop what is generally recognized as being one of the most important industries of Nova Scotia.

The Department of Highways, through the construction and maintenance of splendid highways, has been instrumental in drawing thousands of tourist motor cars to Nova Scotia. The Department of Natural Resources, through an energetic advertising campaign, has for the first time properly placed the natural beauty and attractiveness of Nova Scotia as a tourist paradise before the people of the other provinces as well as the States of the county to the south.

A great amount of advertising literature has gone forward to American cities and in particular the government has successfully advertised Nova Scotia through pictures and transparencies exhibited at such points as the Brockton Fair and other important exhibitions throughout the eastern states. The results which have so far been obtained by the government in this endeavor to develop the tourist industry have been most gratifying.

Speaking at Kentville some months ago, Premier Rhodes said that there was no good reason why the tourist industry in Nova Scotia should not be worth twenty-five million dollars a year. The industry has now been developed to the $11,500,000 mark and every indication points to the fact that the premier's estimate of a twenty-five million dollars value can and will be reached. The 1926 showed that the traffic had a value of $7,000,000 to the province.



Tourist Industry Valued at $11,344,128

It is estimated that the tourist industry in Nova Scotia this summer has had a value to the province of $11,344,128. This estimate is arrived at by means of a questionnaire filled out by more than 900 business men in this province who are most closely identified with the tourist business, hotel managers, transportation managers, garage owners and proprietors of dry goods stores, jewellery and souvenir shops, drug stores, theatres, etc.

Through this questionnaire an estimate was obtained respecting the number of days spent by summer visitors in Nova Scotia and their expenditures per day. Applying these figures to the tourist traffic of 1927, the value of the industry is shown to be as follows:

Money Distributed in Province

Train and boat tourists	$ 5,053,440
Motor tourists	6,290,688
Grand Total	$11,344,128

MARITIMES WILL BENEFIT THROUGH WATERWAYS, SAYS SHIPPING EXPERT

(Continued from page 36)

equipped with marine legs for discharging grain from steamers direct to the bins mechanically, and at low cost. This equipment will enable Argentine corn, now entering into competition with Chicago corn by low water rates, to be discharged at a low nominal cost. The farmer will profit. Any lake grain vessels which lay up for the winter in Halifax may be moved around the harbor and docked for annual inspection and repairs without loss of time during their revenue producing summer season, as is now, unfortunately, the case on the lakes, where conditions prevent them from getting drydocking over with during the winter months, and force many of them to do it during the summer revenue producing months.

"It will be clearly seen that a great flour milling industry can be built up at Halifax, owing to the fact that cheap wheat will be available. In the summer months, these mills will be on an even basis with Western mills, but in the winter months will have a decided advantage, in that the flour when manufactured is already at tidewater. The factor which will limit the production capacity of the mills will be their ability to dispose of the millfeed by-product. At first the Maritimes will not be able to absorb a very large amount of this millfeed, but with growth of livestock and dairying industries, the demand will increase. It also may be possible to export a certain quantity of millfeed by cheap water rates to New England ports from Halifax. There will be no trouble disposing of the flour production, as these mills will be able to compete with anything on the continent.

Benefit All Canada

In conclusion, there is no part of Canada which will not benefit by the St. Lawrence deep waterway. On the Pacific coast, British Columbia will be enabled to ship lumber and salmon and other products into the Great Lakes territory at low water rates. In return they can secure supplies of manufactured articles, iron and steel, etc., for return cargoes.

"The cost of the St. Lawrence waterway project to Canada will be surprisingly low, in view of the fact that the United States are willing to pay a share of the cost of development, estimated, unofficially, at fifty per cent. This will take in also the new Welland ship canal, on which Canada is already committed to spend $115,000,000. The U. S. are willing to take half this cost. The Joint Board of Engineers estimate the cost of canalizing the St. Lawrence for a deep waterway at less than $125,000,000. This is exclusive of power development, which will carry itself from revenue derived. Now if you cut $125,000,000 in two, you have for Canada's share $62,500,000. If the U.S. take half the cost of the Welland, then we get a virtual refund of $57,500,000 on our commitment there. Deduct this from $62,500,000, and you have only $5,000,000 for Canada to pay in addition to the commitment already made for the Welland ship canal.

"Now, some of the opponents of the deep waterway set up the bogey of United States jurisdictional control over that part of the waterway which runs through purely Canadian territory. Mr. Herbert Hoover, U.S. Secretary of Commerce, said in a speech at New Haven, Conn., last March:

Hoover's Statement

"'It has been suggested by someone that if we jointly undertake to construct this great enterprise it would imply joint American control with Canada over Canadian territory, and that such joint control would be repugnant to the Canadian sense of independence. I may say at once that it would be equally repugnant to the American people, and no such suggestion has ever come from the American side. Our existing improvements along this water highway do not imply, nor have they ever implied, such an invasion of rights.'

"The Hon. William Phillips, United States Minister to Canada, repeated this in an address before the Canadian Club in Toronto, October 3, last, re-asserting that the U. S. had no sinister designs on Canadian territory whatever. All they desire is what right thinking Canadians desire, and that is the enlargement of the existing canal system on the St. Lawrence so as to permit the passage in and out of larger ships than now transit these canals. The United States already have the right, by treaty, to enjoy the free use of our canals for their ships, having equal privileges with British ships. We have the same right to use their canal at the Michigan Soo, and do use it to a very large extent, moving over 90 per cent. of our traffic through it. Heretofore the U. S. have contributed nothing toward the cost of the St. Lawrence or Welland canals. Now, in order to provide their land-locked middle western citizens with a cheaper access to world markets, via the great St. Lawrence waterway, they are willing to put up a fair share of the cost of enlarging these canals, just the same as good neighbors would be willing to split the cost of building a side drive between their homes for their joint use in getting access to their respective garages. Although part of the driveway would be on each man's property, it would not imply ownership or control over that property of the other man"

MAIN INDUSTRIES OF N.B. SET OUT IN GENERAL SURVEY FORM

(Continued from page 33)

dark red and two lighter colors. Spoon Island and St. Stephen furnish gray and pink granite. Bathurst and McAdam supply building granite. Near Bocabec, Charlotte County, is a quarry of "black granite" used for decorative purposes.

Clay

Red clay of fine working quality is found near St. Andrews and is being used locally in the manufacture of "Cottage Craft" art pottery. Semi-refractory shale occurs at Flower Cove, on the Grand Lake. Clay shales are found under the coal seams in the Grand Lake area.

Coal

Coal mining is confined to the Grand Lake region, near the villages of Minto and Chipman, in Sunbury and Queens Counties. Coal seams from 18 to 30 inches thick are found at or near the surfaces down to depths of about 120 feet. This coal is recovered partly by the stripping process, but largely by shafts. It is regarded as excellent steam coal. Coal is also found in the vicinity of Beersville, in Kent Co., near Caraquet in Gloucester Co., and in other parts of the province. Output in fiscal year 1926-7, 152,837 long tons, valued at approximately $600,000, at the mines.

Game Birds

New Brunswick possesses splendid hunting territory for geese, duck and brant innumerable. Open season for geese, duck and brant is from September 15 to December 31. Non-resident licenses, $25.

Fur Industry

The total value of production in 1926 was $288,252 from 63,124 pelts. The leading furs were wild cat, $9,042; mink, $32,136; red fox, $56,526; silver fox, $107,160; ermine (weasel), $33,310; and muskrat, $19,530.

Other fur-bearing animals included: black bear, otter, raccoon, skunk, deer, moose and domestic cat. In 1926 there were 206 fox farms in the province.

Guides

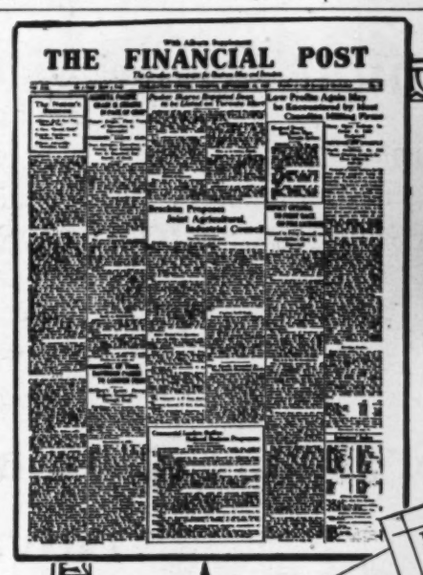
New Brunswick is noted for its competent guides and outfitters for hunters are located in all parts of the province; Campbellton, Bathurst, Newcastle, Chatham, Moncton, Fredericton, Woodstock, Plaster Rock and Canterbury.

The Moncton Transcript

This enterprising evening journal covers Moncton city, the hub of the Maritimes, like a blanket, and has a large and increasing outside circulation.

As an advertising medium it stands alone.

Moncton, N.B.



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BRITISH EMPIRE STEEL
CORPORATION LIMITED
CANADA CEMENT BUILDING MONTREAL, CANADA

Curious Habits of Fish Scientifically Studied by Experimental Board

Valuable Information Learned Regarding Hatching and Rearing of Young Lobsters, Also Overcoming Difficulties in Connection with Discoloration of Canned Crustaceans

By H. E. TANNER, B.A.
Formerly Educator, Fisheries Experimental Station, Halifax, N.S.

About the opening of the present century the Minister of Marine and Fisheries deemed it advisable, on the recommendation of the foremost scientists of the country, to create a body in connection with the fisheries service of Canada, for express purpose of conducting scientific researches and investigations into the many branches of the industry where such were needed.

This body, known as the Biological Board of Canada, included among its members the Dominion Commissioner of Fisheries and eminent biologists representing the leading universities of the Dominion.

Located at St. Andrews

A movable Atlantic Biological Station came into being on the Atlantic coast, trying out place after place, and finally locating permanently at St. Andrews, N.B., because of the exceptional wealth in fish and other marine life of that region. Later a corresponding Pacific Biological Station was established at Nanaimo, B.C.

For years these institutions have opened their doors to professors of science and to advanced students, who during the summer months, devote their time and energy to the investigation of certain specific problems suggested by an expert committee on research. We shall confine our remarks here to the record of the Board on our eastern seacoast, not forgetting, however, that during the same period the western station has been blazing an enviable trail of discovery.

One might with justice ask "What has the board done for the industry?" or "Have any benefits followed in the wake of these scientific investigations to justify the existence of the board?" Without attempting to discuss the difficulties which confront one when one endeavors to value in dollars and cents the finding of science which affect our lives and our pockets in a host of direct and indirect ways, we shall proceed to lay before the reader a brief outline of some of the Biological Board's activities, and let him judge for himself the value of such work. We are, however, personally of the opinion that, could the influence of the Board be wiped out at a single stroke, we should find ourselves confronted with an array of most serious and perplexing problems, some of which might be beyond possible redemption.

Seat of Board's Activities

In a very picturesque location on the Passamaquoddy bay near St. Andrews, and facing directly across to the green-clad banks of our friends across the border, one would find a group of buildings, the original seat of the Board's activities. A large, well-equipped laboratory and a commodious residence for the staff are the two main buildings, and, in addition, one might notice among the trees a director's residence and several other small buildings.

During the summer months this spot is a beehive of industry, when approximately a score of investigators assemble, each with his or her own special problem. Many and varied are the forms of research, some of direct practical value, while others are more or less of a purely scientific nature. Such problem as the latter are, nevertheless, of great value, for it is from such problems as these that the larger and more direct investigations are made possible. It is perhaps needless to mention that the simpler tasks are assigned to new recruits, while the more difficult work is undertaken by men of experience, some of whom are famous in the world of discovery.

Much thought has been given to the hatching and rearing of young lobsters, so that to-day we are in possession of valuable information which has a most direct bearing upon this phase of the industry, especially in connection with the formulating and altering of the lobster fishery regulations. Studies in the bacteriology of canning have been stressed and the findings embodied in bulletin form. The discoloration of canned lobsters, for example, which formerly resulted in huge losses to our packers, due to their ignorance of its causes and control, has been thoroughly examined and the packers are now in possession of the plain facts, so that such faulty packing is now unwarranted, and the losses from this source have been greatly reduced, resulting in a saving of thousands of dollars. This along with other improvements has put Canadian lobster products back again on a firm basis on foreign markets.

Food Values of Fish

During the war when a strenuous campaign was being waged to induce people to eat more fish, several bulletins were issued by the Biological Board dealing with the food values of a number of our more abundant commercial fish. Great wealth is locked up in the sea owing to our failure to utilize many of these fish. However, every season now brings its new food on the market and the varieties will no doubt continue to grow.

Absolutely essential to the future welfare of the industry, and particularly in connection with measures looking to conservation, is a knowledge of the life-histories of our commercial fish. This knowledge includes such points as the movements or migrations of fish and the factors controlling these, their spawning habits, etc. Anyone acquainted with the industry will know of the uncertainty of the mackerel catch, of cod movements, of salmon runs, and so one could go on through the list of fish. A definite knowledge of their habits, of the success of reproduction in any given year and of many such factors, would be of inestimable value in predicting for the fisherman the possibilities of the coming season. Very little had been discovered about these points up to a few short years ago, since when a great many secrets have been laid bare, though much still remains to be learned.

The Biological Board is responsible for a large number of discoveries along these lines, while each summer new minds are focused upon such problems. Time was when the different opinions regarding the mackerel migrations gave rise to international dissension. The possibility of a renewal of such controversy is being eliminated by the definite establishment of the facts of migration. Such instances as are cited above will serve to illustrate the nature of the work carried on at St. Andrews.

Fisheries Experimental Station

For a number of years there has been felt the need of closer co-operation between the Biological Board and the industry. The outcome has been the appointment to the Board of representatives of the fishing industry, and the establishment at Halifax in the spring of 1925 of a Fisheries Experimental Station. Thus science and industry are brought into closer relationship, and although only in its second year of activity, this institution has, under the able directorship of Dr. A. S. Huntsman, produced some excellent results. By attacking problems suggested by the industry itself, the Experimental Station is enabled to cope with the real practical difficulties of the fisherman, curer or packer. It is admitted that very little progress has been made in the industry during the past few decades, the methods employed being quite well-known in the days of our grandfathers, whereas in the majority of other food manufacturing lines improvements in methods have been well marked. This situation might be partly explained by the tendency in the past of those engaged in the fisheries to look upon technical research as an intruder or even as an enemy, instead of demanding that science be placed at their service. This attitude is changing as the industry realizes the necessity of meeting the changing demands of markets and the growing pressure of foreign competition.

It is the duty of the Fisheries Experimental Station to discover ways and means of bringing these products up to market requirements. With a wide range of demands presenting themselves and a small staff, it has been necessary to concentrate upon a number of the more important needs. The smoking of fish has been selected as one of these features. A properly regulated and controlled smoke-house is still a dream and there is a noticeable lack of uniformity in the finished product. The market demands a uniformly smoked product. The influence of the various factors has received attention at the hands of investigators such factors, for instance, as ventilation, humidity, volume of smoke, etc.

When the effect of each of these is known it should be an easy matter to erect a modern smoke-house, equipped with controlling devices, so that the operator can regulate these factors and get with a fair degree of certainty, a product for the desired texture, flavor and color.

Extensive studies have been undertaken in connection with the first steps in spoilage of fish. It not infrequently happens that a shipment of fish, apparently fresh when packed, on arrival at its destination is found to be unfit for consumption. The shipper had no means of determining the stage to which after-death changes had gone and had shipped in good faith. The present aim of the Experimental Station is to find a simple chemical test which will easily and rapidly determine the degree of spoilage, and so save needlessly heavy losses to the shipper.

Investigations into the rapid freezing of fish are proceeding with haste, with the fresh fish dealers showing a keen interest in the progress being made. The freezing of fish has eliminated distance as a barrier to inland markets, and there is little doubt that the frozen fish business will show rapid expansion in the near future. Rapid or brine freezing improves the texture and flavor as compared with the older slow air freezing. Those who have watched the progress of the investigations to date are cheerfully hopeful. Nor has the canning been overlooked, for as we write this the scientists are in active co-operation with the lobster packers in their endeavor to standardize certain canned lobster products.

To Avert Disaster

Some years ago the officials of the Department and of the Biological Board foresaw impending disaster in the lobster fishery, unless means were immediately employed to avert it. The situation was studied by the Board, then under the chairmanship of Dr. Knight, who was largely instrumental in conducting the educational campaign among the fishermen. The seriousness of the situation was placed squarely before the men, who responded in time to save their industry, only, however, after they saw and feared the consequences of their utter disregard of the regulations. The conservation of the ripe or "berried" female lobster was one of the outstanding difficulties with which the chairman had to cope. The Board was also instrumental in closing the lobster hatcheries by definitely proving that they were a needless expense to the country.

The educational work of the Fisheries Experimental Station has now grown to such proportions that it was found necessary to appoint an educator, who should act as a sort of liaison officer between the Biological Board, the different branches of the industry, and the public in general.

The educational program includes instruction by a fishery demonstrator, who travels among the fishermen demonstrating the latest requirements, and explaining the urgent need of an improved cure of fish. The fishermen in the majority of cases are taking an intense interest in this particular matter as they realize that a general improvement in the cured product will boost our markets and help to bring us out of the present trough of depression.

Personal Contact

Only by direct personal contact can the appeal to the fishermen who do their own curing be effective, and this method is being employed by the Board. Further educational activities among the lobster fishermen are planned, including illustrated talks on the life-history of our most valuable crustacean.

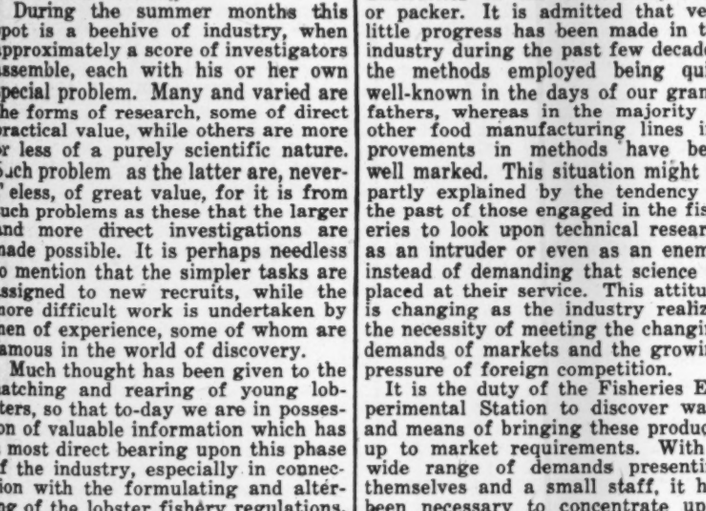
Not least important are the schools of instruction given at Halifax to men of different branches of the service. During the past year such courses have been given to Hatchery Officers and to Fishery Overseers, and two-weeks courses were given to young men of the fishing industry who are ambitious and wish to obtain a working knowledge of the most up-to-date methods employed in curing, etc., and in the elements of the bacteriology of canning, the reddening of dry salted fish, and of many such important matters.

A very good series of lantern slides dealing with many phases of the industry has been prepared, and illustrated talks are being given throughout the Maritime Provinces to members of the various clubs, educational institutions, etc., on request. The conservation and protection of our valuable fishery resources are emphasized in these talks.

Tag Commercial Fish

The Board maintains a 60-foot launch, by the use of which it has been able to conduct extensive oceanographic investigations, as well as to tag large numbers of the more important of our commercial fish. The "Prince" has thus contributed much to our knowledge of the coastal waters of the Maritime Provinces.

It will be quite evident that the degree of success of the Experimental Station's activities is directly dependent upon the degree of co-operation of the industry, and it is encouraging to note to what extent the various branches are to-day looking to science to aid them in their earnest endeavor to build up a bigger and better market than ever before, and in this the Biological Board is giving its most hearty assistance.



Employment conditions in the three Atlantic provinces have been steadily improving, and the index level, as charted by the Dominion Department of Labor, shows that in this phase of her economic life, the Maritimes compare favorably with other economic areas of the Dominion.

"Valley Railway" is Drain on New Brunswick Province

The "Valley Railway" represents a ghastly drain of some $22,500 monthly on the slender income of the province of New Brunswick. There are many ways in which even half of this sum could be used by the government, in the real and productive interest of the province. Thus, New Brunswick hopes that the Duncan recommendations regarding the possible acquisition of this road by the federal government be implemented.

Looking Back!

SATISFIED customers have been largely responsible for the progress and growth of this Bank for nearly sixty years.

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New Brunswick Power Company
Limited
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The Diversified Resources of This Great Province
will Respond to Intelligent Development by Capital

NEW BRUNSWICK

offers opportunity to the Industrialist, Investor, Settler, Sportsman and Tourist

Find Your Opportunity for Success Here in —

MANUFACTURING — It has been amply demonstrated that there is an opportunity for success in manufacturing in New Brunswick for men of ability and initiative. For example, underwear, brushes, packaged tea, refined sugar, boots and shoes, oil tanned footwear, canoes, stoves and furnaces, and confectionery, etc., are manufactured in New Brunswick and enjoy a Canadian-wide distribution. New Brunswick provides excellent living conditions for workers and unparalleled educational advantages. The great hydro-power development at Grand Falls will shortly make available some surplus of power for new industries. Moreover, other hydro-power developments throughout the province meet industrial needs. The province's splendid all-year-round open port at Saint John is a great natural asset covering both the importation of raw materials and the export of finished products. You are invited to investigate New Brunswick's manufacturing opportunities.

AGRICULTURE — No province in Canada offers better opportunity for rich living in agriculture than does New Brunswick. The province is especially adapted for mixed farming. The growing of fruit, potatoes, dairying, cattle and hog raising under ideal conditions are all capable of substantial and profitable development.

FOREST INDUSTRIES — Today's activities in New Brunswick's forest industries are impressive. Due to the Grand Falls hydro-power development, the Fraser Companies will shortly double the output of its New Brunswick pulp and paper plant. Moreover, the plans of the International Paper Company call for the erection of a newsprint mill with an initial capacity of 250 tons. Ultimately the production of this mill will be brought up to 500 tons daily. The Bathurst Company plans a project which will considerably more than double its output of newsprint, and in addition, includes plans for another large hydro-electric power project on the Nepisiquit River. The adjacency and ease of access to New Brunswick's great forest resources is another powerful reason for the growth of her forest industries.

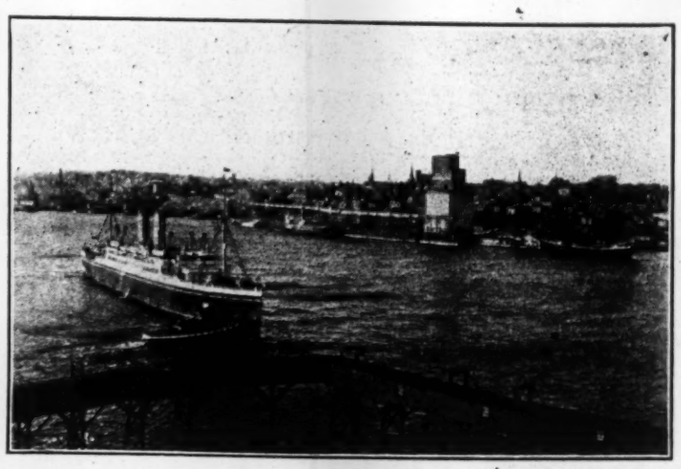
FISHING INDUSTRY — The province stands third in the provinces of the Dominion in the value of its commercial fisheries. In shore fishing is the most important branch — mackerel, shad, herring, salmon, gaspereau, cod, haddock, hake and many others. Lobster and sardine fishing is profitable. Opportunity abounds in New Brunswick's fishing industry.

MINERAL DEVELOPMENTS — As the result of an Act passed at the last session of the New Brunswick Legislature, the province is now due for that mining expansion which its mineral resources deserve. New mining laws—especially favorable to the prospector—have added to the province's mineral opportunities. The following minerals are to be found in the province and offer opportunities for profitable development—iron; lead-zinc; copper; tungsten; antimony; bituminous coal; gypsum,—New Brunswick producing some of Canada's finest gypsum, and, in the finished product, finding both a Canadian and overseas market. Natural gas and oil are found in the vicinity of Moncton. Pulpstones from the Miramichi Quarries have unequalled reputation for quality and service in Canada's great pulp and paper mills.

HUNTING, FISHING, TOURIST TRADE — The Province of New Brunswick delights the heart of the sportsman. The province is the world's greatest moose-hunting ground. In the province's rivers and lakes the salmon and trout fishing is without equal. There is no better vacation land than New Brunswick. You will enjoy its temperate climate, bracing sea breezes, blue seas and golden sands. The motor tourist will find all that is desired in motor roads that wind through scenery of ever-changing delight. There is splendid hotel accommodation which completes the picture of the tourist satisfaction. An opportunity is present in New Brunswick for those who can capitalize in serving the expanding tourist trade.

INVESTMENTS — in New Brunswick Government and Municipal Bonds and in the securities of her sound industrial enterprises is represented the splendid opportunity which this province presents to investors.

New Brunswick offers rich opportunities for developments of its Mineral Resources.
"Punch Holes in New Brunswick—you'll find it rich!"—Hon. J. B. M. Baxter, Premier.



On the left—a view of the harbor at Saint John — New Brunswick's great all-year-round open port.

On the right—construction work in progress at the huge hydro power development at Grand Falls, where 60,000 h.p. is being installed.

Inquiries will have prompt attention if directed to: BUREAU OF PROVINCIAL INFORMATION AND TOURIST TRAVEL, Fredericton, N.B., Canada.

THE FINANCIAL STRUCTURE OF THE BRITISH EMPIRE STEEL CORPORATION AND ITS SUBSIDIARIES

Dominion Iron & Steel Co.	1st Mortgage Bonds	$ 5,159,000	Held by public
	Con. Mortgage Bonds	4,639,000	Guaranteed by
		7,035,253	Issued in Sterling
	Income Bonds	3,500,000	All held by
	Preferred	5,000,000	Besco holds $1,663,700
	Common	37,000,000	All held by
Dominion Coal Co.	Bonds	4,576,500	Held by public
	Income Bonds	3,500,000	All held by
	Preferred	3,000,000	Besco holds $200,600
	Common	15,000,000	All held by
Cumberland Railway & Coal Co.	Bonds	2,646,000	Guaranteed by
	Common	2,000,000	All held by
Dominion Shipping Co.	Stock	1,000,000	All held by
James Pender & Co.	Stock	100,000	All held by
Sydney Lumber Co.	Stock	150,000	All held by

Dominion Steel Corp.	Debentures	1,000	Held by public
	Preference	7,000,000	Besco holds $2,294,500
	Common	43,000,000	All held by
Halifax Shipyards	Preferred	3,000,000	All held by
	Common	5,000,000	All held by

Nova Scotia Land Co.	Stock	11,000	All held by
Wasis Steamship Co.	Stock	16,000	All held by
Eastern Car Co.	Bonds	820,300	Held by public
	Preferred	750,000	Besco holds $642,900
	Common	800,000	All held by
Acadia Coal Co.	1st Preference	1,900,000	All held by
	2nd Preference	1,000,000	$994,500 held by
	Common	1,846,100	$1,738,800 held by

Nova Scotia Steel and Coal Co.	Bonds	5,134,134	Held by public
	Debentures	4,978,500	Held by public
	Preferred	1,000,000	$192,000 held by
	Common	15,000,000	All held by

BRITISH EMPIRE STEEL CORPORATION

CAPITAL

1st Preference "A"	None
Ditto, "B"	$ 8,032,100
2nd Preference*	49,958,575
Common*	21,305,400

*Less amounts held by subsidiaries.

Total Bonds of Subsidiaries held by Public	$37,682,294
Depreciated value of properties	$133,924,864

The Corporation holds direct the following amounts of preferred stock in its secondary subsidiaries:

Dominion Iron & Steel Co.	$1,663,700
Dominion Coal Co.	200,600
Eastern Car Co.	642,900

British Empire Steel and Besco's Structure Analysed in Extenso

(Continued from page 33)

interested. There are between 11,000 and 12,000 individual shareholders in the corporation and in the shares of its constituent companies. There are at least some 8,000 investors holding the bonds of the corporation. One charge levelled with a somewhat tiresome reiteration at the corporation is that its shares are watered. This is true. But Besco has never paid dividends on its watered shares, and therefore, no matter how much water was put into the stock of the corporation, it has not been this which has affected its position.

Dominion Iron

The position of the corporation today is that one of its chief constituent companies, the Dominion Iron and Steel Company, is being operated by a receiver, for on July 1, 1926, Besco was not in the position to meet the first mortgage bond interest nor the interest on the consolidated mortgage bonds of this subsidiary. In addition, in order to better its liquid position, the corporation has not been meeting its interest charges on the two mortgage issues of the Nova Scotia Steel and Coal, but has been taking advantage of the few additional months leeway which the law allows and which the trust deed covering the issue allows. Thus, interest payments are being met, not on the due date, but three and six months, respectively, after the interest dates on both issues.

The last annual report of the corporation points out that the reason interest payments on the mortgage issues of the Dominion Iron and Steel Company were not met July, 1926, was due to special conditions which affected the bank loans of that company, rather than to any deficiency in current resources. At that time the company's bankers were in doubt regarding the company's power to give security upon its raw materials in process of manufacture and upon its accounts receivable.

The company owed the bank some $2,300,000, upon which it was felt the bondholders might have a claim prior to the bank. This then is the question now before the courts.

It is usually known as the "Priorities Action." The banks loaned the Dominion Iron funds, and the Dominion Iron hypothecated and assigned its accounts receivable and raw materials in process of manufacture to the banks. But it is felt by the receiver that the bondholders have a prior claim on the assets. This is now being decided by the courts.

Since the National Trust Company took over the Dominion Iron as receivers, there have been many court actions. First, the Besco management tried to bring about a reorganization which was blocked by the National Trust Company. The National Trust Company came into the picture because the Dominion Iron and Steel Company owned some of the shares of its parent corporation, namely, Besco. These shares are an asset of the Dominion Iron and Steel, and the National Trust, acting for the bondholders, held up the reorganization.

Liquidation Requested

The National Trust Company has also taken steps to bring about a reorganization and asked the courts to order the liquidation both of Besco and the Dominion Steel Corporation. The application for the liquidation of Besco was turned down but that for the Dominion Steel Corporation was allowed.

One of the chief reasons the courts allowed the application for the liquidation of the Dominion Steel Corporation was because the Dominion Steel had guaranteed $4,639,000 of the Dominion Iron and Steel Company's consolidated mortgage bonds. This guarantee Dominion Steel has not met. The Besco management is fighting the Dominion Steel Corporation's winding-up order and the case is to go to the Privy Council.

The attitude of the National Trust, acting on behalf of the bondholders of the Dominion Iron and Steel Company, is in a word that the liquidation of the Dominion Steel Company will in reality result, not in the sale of the assets, but in a reorganization and a redistribution of the securities of the Dominion Steel Corporation and its subsidiaries. Perhaps a consolidation of the Dominion Steel Corporation group might follow. Besco wants to carry out its own reorganization free from the interference of the courts.

In the meantime, the financial position of Besco has been improving, and the consolidated balance sheet of the corporation shows large liquid assets. It might be that if the "Priorities Action" is decided in favor of the banks, that the Dominion Iron and Steel could carry on its operations as formerly, namely, borrowing from the banks on its current assets. Thus, with the improved position of Besco, it might be that the parent corporation would pay off the bond interest arrears of its subsidiary.

On the other hand, the Dominion Iron and Steel Corporation, over the past seven years, has been a drag on Besco. It might be that Besco would not be willing to take over the Dominion Iron again until some tariff changes are made or unless the government decides to help the industry.

As the Duncan Report has recommended such action, it seems probable that it will take place eventually.

Claim By Both Sides

In the meantime, both sides in the Besco National Trust squabble claim that they can obtain government assistance. The National Trust says that Besco has not the confidence of the government but that with Besco eliminated, government assistance could be obtained in a reorganization. Besco on the other hand, says that it is quite capable of obtaining consideration for the steel industry without the National Trust Company appearing in the picture.

The output of the British Empire Steel Corporation consists of coal, steel, and steel products of various kinds. Before the war, the Besco properties were mining over 6,000,000 tons of coal annually. These figures have never been equalled since that date and as far as the corporation's difficulty in finding markets for its coal is concerned, the reason is not far to seek.

In the United States the coal beds are all above sea level and are, as a rule, dry, or so situated as not to require much pumping; whereas, much of the Nova Scotia coal runs under the sea and for every carload of coal which comes to the pithead, it means that costs are increased just so much more by the necessity of lifting what probably means another carload in the form of water. Then, the face of the coalbed keeps moving further and further from the surface with each carload extracted and it is not possible to put down new pits through the sea bottom. Again, the gaseous condition of the mines necessitates the use of compressed air instead of electricity.

Then again, the pithead cost of coal of Besco is considerably in excess of pithead costs in the States. However, this year Besco has been finding a larger market for its coal and earnings of the Dominion Coal Company have shown a decided improvement over the past two years. The main consideration of the corporation is to keep the output up to the 5,000,000 ton figure, and expand it. Unless this can be done there can be no reasonable expectation of satisfactory earnings.

At Wabana, Newfoundland, the corporation owns and operates one of the largest iron ore properties in the world. The extent of the ore deposits owned are larger than any group of iron ore deposits in the United States. Here the ore is mined and not taken out with steam shovels as occurs in places in the States.

These iron ore deposits at Wabana are of world-wide importance for civilization is based on steel and its raw product, iron ore. Furthermore, there is an end in sight to the iron ore beds in the States which can be mined cheaply. Thus, there are many reading these lines who will one day see the Wabana deposits become one of the important factors in world industry.

Sold To Europe

The Wabana Mines supply all the ore required by Besco's blast furnaces and in addition, a large amount is sold in Europe. Before the war, a large tonnage was sent to Germany and during the last few years this market has been regained. In addition, the corporation finds a market for some of its ore in American Atlantic ports. To these points, it has the advantage of low cost transportation. The stabilization of European currencies has improved Besco's iron ore markets in Europe.

In future years, there is every expectation that Besco will find an increased market in Canada, due to the gradually increasing price of anthracite. The anthracite seams in the United States are giving out and prices, it may be anticipated, will gradually increase. Thus, Besco coke should more and more come into use as a domestic fuel.

In 1926 Besco's earnings improved materially and after writing off depreciation and depletion charges and all sinking fund and interest charges, the corporation showed a net profit for the year of $1,138,468. This net profit was obtained after making allowance also for the interest and sinking fund charges of the bonds of the Dominion Iron and Steel, now in the hands of the receiver. During the current year also, Besco has been experiencing improved conditions and should make larger profits during this year.

A brief review of each of the Besco subsidiaries follows:

The Dominion Steel Corporation

This is a holding company only; its earnings are dependent upon the earnings of its subsidiaries. The six companies from whence the entire revenue of the Dominion Steel Corporation is derived represent about 40 per cent. of the total investment of the corporation. The operations of both this corporation's chief subsidiaries are interdependent. The subsidiaries of the Dominion Steel Corporation are as follows:

Dominion Iron and Steel Company

This company owns three iron ore mines in Newfoundland. The Nova Scotia Steel and Coal operates a fourth Besco mine at Wabana. The Dominion Iron also owns and operates limestone properties in Nova Scotia; the limestone is used as a flux in the blast furnaces. The company also owns coke ovens, blast furnaces, mills and steel works in Sydney.

For the past year or more this company has been in the hands of the receiver.

The Dominion Coal Company

The Dominion Coal operates 16 coal mines in Cape Breton and also the Sydney and Louisburg Railway. It owns distributing facilities situated at Sydney, Louisburg and Halifax, Nova Scotia, Saint John, N.B., Quebec, Three Rivers and Montreal, P.Q. It owns and operates various facilities such as tugs and barges for moving its coal. This company's earnings are in reality dependent upon its coal production. Its other assets are used solely to get the coal out.

Cumberland Railway and Coal

This company owns 180 square miles of coal areas in Nova Scotia, containing the most valuable body of coal in the mainland of the province. It owns and operates 48 miles of standard gauge railway and is well equipped for freight, and passenger traffic. It affords a means of shipping coal from the mines both by water and over the lines of the Canadian National Railways. The company owns three collieries. It is leased by the Dominion Coal Company. The 48 miles of railway act only as a carrier —not as an earner.

The Dominion Shipping Company

This company was organized to control the fleet of twelve steamships, having a carrying capacity of almost 70,000 tons, which Besco owns. The ships carry chiefly coal, but on occasions are used for ore and limestone.

James Pender and Company

The raw material of some of the other properties is utilized here. Galvanized iron and wire, nails, and many other smaller metal products are manufactured. Naturally, the company meets some difficulty in competing in the markets of central Canada.

Nova Scotia Steel and Coal Co.

This is the second holding company which is controlled by Besco. It in turn controls four other companies.

It also owns and operates three or four collieries, but its output is no real factor in Besco's total coal production. Practically this company depends entirely on the earnings of its four subsidiaries, although it owns part of Besco's iron ore deposits and operates one mine in Newfoundland.

The company's four subsidiaries follow:

The Sydney Lumber Company

This company owns freehold lands in New Brunswick, where there is a mill for the manufacture of lumber, shingles, and other lumber products. It supplies the corporation with its timber requirements, such as timbering for the mines. In addition, Besco itself owns valuable timber rights in Newfoundland and in New Brunswick.

The Nova Scotia Land Company

This company is a holding company formed to rent fifty-three thatched frame cottages at Sydney Mines, to the employees of the Nova Scotia Steel and Coal Company. Its operations are included in the accounts of the Nova Scotia Steel and Coal Company and it is not operated for a profit.

The Wasis Steamship Company

This company owns two ocean-going vessels with a combined carrying capacity of over 5,000 tons dead weight. They are engaged in general freighting business and in carrying ore and coal for the Nova Scotia Steel and Coal Company. The result of their operations is included in the accounts of the latter concern.

The Eastern Car Company

This organization is a large user of the finished products of the other companies in the group. The plant is modern in every way and has a capacity of twenty-five steel frame box cars per day, which, with a little expenditure, can be increased to fifty cars per day.

The story of this company is much the same as the other car manufacturers in Canada. This business is generally regarded as a feast or famine affair and the past year has been one of the famine periods. However, both our railroads in Canada are urgently in need of equipment and, no doubt, as soon as the improved earnings due to the better harvest make themselves more felt, the C.N.R. and the C.P.R. will be in the market once more for new rolling stock.

The company's earnings for the past two years have been poor, in fact, just about enough to meet the bond interest and no more.

The Acadia Coal Company

The property of this company consists of approximately 20 square miles in Pictou County, where are located four mines which are being worked at present. The capacity of this company now is a daily output of from 2,500 to 3,000 tons. It owns about seven miles of railroad and employs 567 persons. The results from this portion of Besco's activities are, under normal conditions, excellent for the location of the mines gives them a good market.

The Halifax Shipyards

This company is the third and last direct subsidiary of the British Empire Steel Corporation. Its business consists in repairing ships; it owns ample harbor accommodation for ships awaiting their turn in the dry dock or undergoing repairs that can be accomplished afloat. In addition to its dry dock facilities, it owns one large floating crane with a lifting capacity of over 100 tons. It also owns four marine railways, together with the necessary equipment for the repair of vessels up to 250 feet in length and 3,000 tons dead weight. These have been in continuous operation from year to year.

The dockyards are equipped to build vessels. The hope for the future lies in a revival of ship-building coupled with an increased use of Canada's eastern ports. Under present conditions the company is doing all that can be expected of it.

Dominion Iron Gets C.N.R. Plate Order

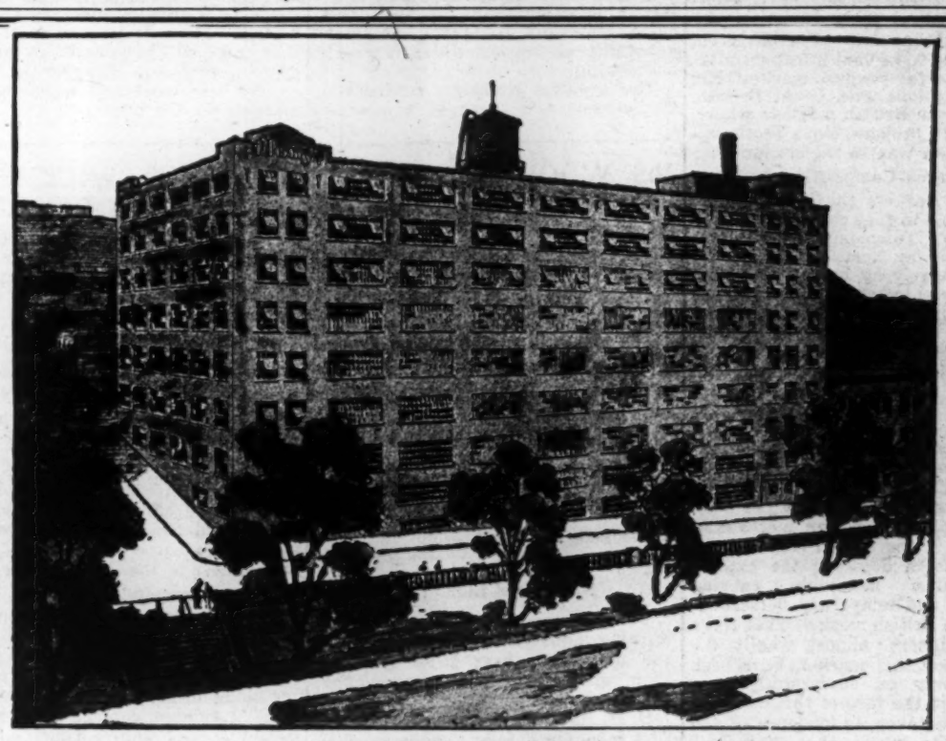
From Our Own Correspondent

MONTREAL.—The Dominion Iron and Steel Company has received an order from the Canadian National Railways for 10,000 tons of tie plate. The company has also received a trial order from the New York Central Lines. The Sydney mills have been experimenting with the manufacture of high-grade tie plates and have evolved a process which is arousing much interest.

Officials of the company are satisfied that the requirements of the New York Central will be met. Recent steel rail contracts for the company have come from Jamaica, India, and Chile, and there is sufficient business on its book to ensure steady work at the plant for the next six months at least for the 2,600 men on the payroll. The company is doing a steadily better business and prospects for the future are very satisfactory.

Co-operation Gains in N. B.

Figures of the New Brunswick Department of Agriculture show a remarkable increase in the co-operative shipments of livestock. Hogs handled co-operatively by the Maritime Livestock Board Incorporated from New Brunswick show an increase of about 100 per cent. for the year up to October 31, as compared with the full calendar year of 1926.



A Century Old Enterprise—

MORE than a century ago Benjamin Moir started the original bakery, conducted and expanded later by William C. Moir, which was the foundation of the Moir business. When the present head of the firm, James W. Moir, joined it in 1880 he started the manufacture of confectionery. And to-day, though Moirs Limited have become the largest bakers in Eastern Canada, this wonderful expansion has been overshadowed by the development of the chocolate and confectionery end of the business.

ONE difficulty after another has been encountered and conquered in the course of the ensuing four generations. Three times the firm's Halifax plant has been wiped out by fire—each time to be succeeded by a larger one. Four times fire has destroyed the Bedford mills — again to see greater ones arise, until today the floor area covered by the various Moir establishments total nearly nine acres.

THIS Diamond Jubilee Year of Canada's Confederation will see completed the latest addition to the Moir factories. As pictured above this new building will be eight stories high, each measuring 135 by 65 feet. It is coming none too soon to meet the rapid growth in the demand for Moirs Chocolates, which are now so firmly entrenched in the country's esteem that they can be truly called "Canada's Candy."

Moirs

·HALIFAX· CANADA·

APPLE INDUSTRY IN NOVA SCOTIA HAS GOOD YEAR

Satisfactory Unit Prices Prevailed in Domestic and Export Markets

By CLIFFORD L. BAKER

Nova Scotia's apple crop has been harvested and the total commercial crop for the season may be conservatively estimated at 1,050,000 barrels. Earlier estimates were for a much larger yield, the government crop reports in July having placed the figure as high as 1,600,000 barrels; but the grower's disappointment over the reduced tonnage is largely compensated by the very satisfactory unit prices which have thus far prevailed in both domestic and export markets and which promise to remain at a high average throughout the shipping season. Moreover, although the growing season has been described by Dr. W. H. Brittain, provincial entomologist, as "the worst in fourteen years," nevertheless the fruit is almost uniformly of prime quality, being in this respect one of the best crops produced in recent seasons. This is of vital importance, as most of the crop is stored for several months in warehouse before exporting, and healthy fruit of good keeping qualities is therefore essential to a profitable market.

The harvest this year has been some 10 per cent. to 12 per cent. greater than in 1926 and the quality of the fruit is better. Nevertheless the crop is 20 per cent. below the average of the five years, 1920-1926, inclusive, and is 50 per cent. below the high record of 1921. Considering that many acres of young orchard are coming into bearing each succeeding year, the yield is evidently much below what may fairly be expected as an average in the coming seasons.

The extent of the apple growing industry in Canada, and the relative importance of Nova Scotia as a producer is indicated by the following crop statistics issued recently by the Fruit Branch, Department of Agriculture:

1927 Apple Crop	Per cent. 1926	1927 Estimated (bbls.)	1926 Actual (bbls.)	5-yr Aver. 1922-26 (bbls.)
British Columbia	78	1,026,800	1,312,360	1,037,560
Ontario	90	542,800	598,700	903,240
Quebec	90	104,600	115,800	88,240
New Brunswick	85	26,500	30,000	31,250
Nova Scotia	110	1,020,100	927,370	1,267,300
		2,740,800	2,984,230	3,327,590

On the 1927 crop of Scotian apples, some 30 per cent. has already been shipped while 70 per cent. remains in warehouse awaiting the proper shipping "season" of the several varieties. Heaviest shipments are in November and December, the entire crop being moved by March 1st.

About 15 per cent. of the total crop finds its way to domestic markets, chiefly in the Maritimes, Quebec and Ontario, which markets absorb practically the entire output of Gravensteins and other early varieties. 85 per cent. of the Nova Scotian crop, however, has to be sold in export markets; and so far "export market" has been synonymous with Great Britain. It is chiefly in British markets where, through fruit brokers, Nova Scotia apples find their way to the consumer.

Faced Competition

In these markets the local product has been able to face competition very successfully. This competition is provided largely by home grown British fruit and largely by British Columbia and Ontario shipments. However, the most serious competition arises from the large consignments of United States apples which find their way to Great Britain and which, at times, tend to ruin the market through over-supply. It is interesting to note that the United States, which produces 7 times as many apples as Canada (the average commercial crop may be placed at 25,000,000 barrels) has an exportable surplus of only 7 per cent. Thus, in any one year an increase of 7 per cent. in the United States apple crop results in doubling the exportable surplus, inevitably causing "dumping" and temporary demoralization of the British market. That Nova Scotian shippers, almost wholly dependent upon this market, have been able to carry on successfully year after year in the face of this competition may be taken as evidence of the very definite place that "Scotian" apples have made for themselves in the fruit trade of that country.

These apples form a profitable basic cargo for trans-Atlantic freighters sailing from Halifax. This business is handled at present almost entirely by the Furness Withy Company and the White Star Line. Attention is being given to possibilities of other export markets, notably the British West Indies and South America. Suitable cargo space has in the past been one of the chief difficulties in developing these outlets, but with the increased and improved service promised by the C.G.M.M. it will not be surprising to find during the next few years a considerable tonnage of Nova Scotia apples moving southward. Small occasional shipments are already being made with fairly satisfactory results.

All farming operations might be described in the language of Sir Harry Lauder, speaking of his trip across Atlantic—"Mostly oops and doons!" During the past five years the "doons" have predominated with the Nova Scotian fruit grower. Nevertheless, all indications are for large expansion in this basic and important industry within the next decade. As already mentioned, each year sees many acres of sapling orchards coming into bearing, while many more acres of young, bearing orchard reach full-bearing maturity. As against this, the wastage due to old orchards dying out is comparatively small. The total acreage of bearing orchard was estimated in 1926 as 42,000, an increase of over 2,000 acres since 1921 and of 18,000 acres since 1901. Thus total orchard capacity has increased since the bumper crop of 1921 (2,033,901 bbls.) until to-day it is estimated at over 3 million and probably nearer 4 million barrels. The average crop must, therefore, show an early and large increase. The Apple Marketing Enquiry Committee, appointed last year by the provincial government, expressed the opinion that average production from 1927-1931 will be over 2,000,000 barrels per annum.

With this natural increase the percentage of high quality fruit is also increasing yearly, due to better growing methods resulting from intensive educational campaigns conducted by the Nova Scotia Fruit Growers' Association and various trade organizations. With this, too, is coming a growing appreciation of trade possibilities in the manufacturing of apples and by-products. There are in all 19 plants in the fruit belt devoted to the manufacturing of apple products in some of its phases and the number and size of these will undoubtedly increase. Such products find ready sale both in Canada and in Britain and European countries.

This apple industry, concentrated chiefly in the three valley counties, Kings, Hants and Annapolis, represents a considerable capital investment (including some 3,500 farms and 125 warehouses) and constitutes the major industry of this district. Besides supporting many small local manufactories of box shooks, barrel staves, orchard equipment, etc., it offers a large market for fertilizers, spray materials and farm equipment generally,—a market which is yearly broadening.

The greatest problems confronting the grower are those of production costs and marketing. Production costs, he feels, are too high, and rightly or wrongly he argues that the fiscal policy of Canada is partly to blame. His attitude approaches very nearly to that of the western farmer; he thinks it unfair that he must sell his product against world competition in unprotected export markets and must buy his equipment and supplies for his home and farm in a highly protected domestic market.

Methods of marketing leave much to be desired, and it is doubtful if much improvement will be effected until the principle of co-operative marketing is more widely accepted and established. There is a co-operative group, the United Fruit Companies of Nova Scotia, which has done good work since its inception in 1911, and this is today the largest single marketing organization in the industry. The U. F. Co., however, controls not more than one-third of the crop, a portion insufficient to enable it to function to greatest advantage or to reap all the benefits of the co-operative plan for its members.

Special Committee

Last year the provincial government sent to Great Britain a special committee consisting of W. A. Middleton, provincial horticulturist, and Eric Leslie, secretary of the Nova Scotia Fruit Growers' Association, to investigate marketing conditions and methods. Following the report of this committee a representative "Apple Marketing Enquiry Committee" was established under the chairmanship of L. F. Burrows, secretary of the Canadian Horticultural Council. This latter committee spent several weeks in studying marketing problems and has filed a comprehensive report.

As a result of all this introspection on the part of the industry its members are being possessed of a wider knowledge and appreciation of the need for the most modern and efficient methods in growing, packing and marketing. There is no reason to doubt that these will be adopted to meet the growing demands of larger production on the one hand and more exacting markets on the other.

Apple Orchard in Nova Scotia

Panorama of Lakeville, King's County, Nova Scotia, giving an excellent view of one of the staple industries of that province. The blossoms on these trees are exceedingly fine, and, as will be seen, well repays the careful cultivation and pains taken to insure a good crop. Photo by Canadian Pacific Railway.

In Spite of Set Backs Advancement is Made in Maritime Industries

Pulp and Paper Business is Growing, Coal and Steel Industry Busier Than for Years, and Other Concerns Based on Agricultural or Fisheries Production Are Making Substantial Progress

One of the grievances of the Maritime provinces is that they have not shared in the advantages resulting from business expansion which has taken place in the rest of the Dominion since Confederation. To some extent there has been industrial expansion in the Maritimes. But the growth, say of an industry such as pulp and paper, has been more than offset by a decline in other lines of endeavor.

Before Confederation, of course, P. E. I., Nova Scotia and New Brunswick had many plants which flourished exceedingly. But with the union with the upper provinces, the larger production and the lower costs of factories located in Ontario and Quebec enabled these upper Canadian companies to prosper at the expense of the what formerly were sound Maritime undertakings.

Thus as the story of a confederated Canada began to unfold, it was accompanied by expansion in upper Canadian plants and a decline in the industrial production of the Maritimes. To-day a large number of idle plants bear silent witness to the manner in which Confederation has worked out in the Maritimes.

Unfulfilled Promises

Sixty years ago Maritime statesmen recognized what the future held for the three provinces under Confederation and to compensate the Maritimes for the many advantages which they lost, many unfulfilled promises were made to the three provinces.

The Maritimes fully realize that in a great number of industries they cannot, and will not for many years be able to compete with central Canada. They do claim though that promises made to bring the three provinces into the confederate picture should be fulfilled. Contrary to a belief often prevalent the Maritimes are taking full advantage of what opportunities these provinces offer.

The average Canadian perhaps may have little sympathy with the Maritimes on grounds of the non-fulfilment of the Confederation agreement; he may feel perhaps that this is an old story having little to do with present day realities.

Again, those in other provinces may have little sympathy with claims of the Maritimes for an increased use of their port facilities, for their transportation and freight rate demands, and for their claims regarding the coal and steel industry in Nova Scotia. In fact, there are no doubt many still who say that practically all the claims of the Maritimes are baseless and that these three provinces have no real right to bettered consideration at the hands of the federal government.

Statements such as the foregoing are sometimes made by unthinking people in the other six provinces, but it is worthwhile to reiterate the fact that the Maritimes have not participated in the general business progress of the Dominion. And so, the Maritimes merit at least the sympathy of those who dwell above the tide. They should at least be willing to consider suggestions such as those made by the Duncan Commission which would lead the Maritimes and their peoples into a fuller and richer life under the Canadian flag. To maintain a united country it is necessary that all sections should benefit to some extent by the growth and prosperity of other sections. To date under Confederation this has not been the result in the Maritimes.

Until within recent years there has been practically no industrial growth in the Maritimes since 1867. If there had been real opportunities in the Maritimes, the population would have increased; but in the past sixty years there has been only an insignificant growth.

The Maritimes compare most unfavorably with Newfoundland which of course did not come into Confederation and which has experienced a satisfactory growth in population annually since 1867. In the last five years there has been an increase there of at least ten per cent. Such an increase would have been more than welcome in the Maritimes.

Between 1923 and 1924 there actually was a decline in the industrial production of the three provinces. This compares most unfavorably with the situation which existed elsewhere in Canada at that time.

"But," says the fireside critic, "the Maritime Provinces are all right. It is just as easy to make a living there as elsewhere. All they require down there is more hard work." But the armchair critic's statement is easily refuted. The "hard work" part is nonsense for at the moment that the armchair critic is watching the firelight play on the ceiling of his den, Maritime fishermen are risking their lives in Atlantic gales that he may have fish for his dinner party on the ensuing evening. Anyone who knows anything of fishing knows that it is both dangerous and arduous; moreover, examples of Maritime energy could be augmented a thousandfold. Another obvious example, of course is the life of the coal miner or the steel worker.

Yes, they work perhaps harder in the Maritimes then elsewhere and the results of the past sixty years prove that the reason for the stagnation in these provinces is due and due only to economic handicaps such perhaps as exist in no other large area in Canada.

But there is a brighter side to the picture, for these provinces are steadily working out their own salvation by working along their natural lines of development. Industries based on the rich natural resources of these provinces are improving their position. The pulp and paper industry is growing, the coal and steel industry is busier than it has been for many years and the many smaller industries based on agricultural or fisheries production are making substantial progress. Thus at the present time, the general feeling of Maritime business men is more optimistic than it has been for years.

Recent figures of industrial growth there are not obtainable, but the last available figures compare the industrial situation in 1924 and 1925. The figures follow; they provide a birds-eye view of Maritime industry:

Prince Edward Island

		1925	1924	(+) Increase (—) Decrease
Establishments reporting	No.	318	313	+ 5
Capital invested	$	2,576,677	2,637,844	— 61,167
Employees on salaries—				
Male	No.	163	161	+ 2
Female	No.	27	24	+ 3
Total salaries	$	151,089	148,619	+ 2,470
Employees on wages—				
Male	No.	1,227	1,201	+ 26
Female	No.	900	885	+ 15
Total wages	$	421,041	399,877	+ 21,164
Cost of fuel	$	97,921	94,413	+ 3,508
Primary power equipment	H.P.	4,993	4,702	+ 291
Cost of materials	$	2,805,565	2,281,398	+ 524,167
Gross value of products	$	4,290,149	3,720,874	+ 569,275
Net value of products	$	1,484,484	1,439,476	+ 45,008

Nova Scotia

		1925	1924	
Establishments reporting	No.	1,184	1,166	+ 18
Capital invested	$	117,326,491	108,535,273	+8,791,218
Employees on salaries—				
Male	No.	1,188	1,136	+ 52
Female	No.	360	354	+ 6
Total salaries	$	2,362,646	2,238,180	+ 124,466
Employees on wages—				
Male	No.	11,773	11,576	+ 197
Female	No.	3,247	3,027	+ 220
Total wages	$	9,720,047	9,315,720	+ 404,327
Outside piece-workers—				
Male	No.	[illegible]	25	— 25
Female	No.	2	14	— 12
Total amount paid	$	12,782	3,313	+ 9,469
Cost of fuel	$	3,039,102	2,943,309	+ 95,793
Primary power equipment	H.P.	165,055	138,706	+ 26,349
Cost of materials	$	37,854,196	38,930,734	—1,076,538
Gross value of products	$	65,033,701	64,573,092	+ 460,609
Net value of products	$	27,179,505	25,642,358	+1,537,147

New Brunswick

		1925	1924	
Establishments reporting	No.	861	846	+ 15
Capital invested	$	91,509,933	88,357,818	+3,152,115
Employees on salaries—				
Male	No.	1,313	1,217	+ 96
Female	No.	331	334	— 3
Total salaries	$	2,870,937	2,648,889	+ 222,048
Employees on wages—				
Male	No.	12,010	10,894	+ 1,116
Female	No.	3,621	3,360	+ 261
Total wages	$	11,559,315	10,163,829	+1,395,486
Outside piece-workers—				
Male	No.	...	5	— 5
Female	No.	5	242	— 237
Total amount paid	$	2,095	42,551	— 40,456
Cost of fuel	$	1,981,393	1,880,928	+ 100,465
Primary power equipment	H.P.	101,600	101,406	+ 194
Cost of materials	$	44,836,292	40,503,685	+4,332,607
Gross value of products	$	73,374,660	67,456,026	+5,918,634
Net value of products	$	28,488,368	26,952,341	+1,536,027

N.S. WOOD PRODUCTS HAS UNLIMITED FIELD

Ready Market Exists in Maritimes for Woodware Goods of Every Description

The manufacture of wood products in Nova Scotia offers an almost unlimited field for profitable industrial enterprise.

A ready market already exists in the Maritimes for wood-ware goods of nearly every description and a large export trade can now be built up in other countries and other parts of Canada.

New Wood Industries

During the past year new wood working industries have sprung up in the province others have advanced their operations with commendable aggressiveness.

D. M. MacDonald, Sunny Brae is the first manufacturer in Canada to make egg crates. The Canadian supply previously came from United States.

Wash Boards

This Pictou County firm now turns out around 1,000 dozen wash boards per year the business of the N. S. Hardwood Products Co., Amherst, was taken over by Mr. MacDonald and attention is now given to the manufacture of all kinds of tool handles. Already some 10,000 dozen of pick and axe handles have been made and sold.

Experience is proving that the field for export of these articles is practically unlimited.

Nova Scotians can now buy Nova Scotian-made tool handles made from native Rock Maple.

Growing Business

Miller and Gordon Manufacturing Co., Carleton, Yarmouth Co., manufactured and shipped 75,000 boxes of clothes pins, each box containing 720 clothes pins also 2½ million trowels of various lengths and sizes. This company also started manufacturing berry crates and were able to sell all they could make with the promise for a busy season next year. A wash board department was also started.

Dominion Chair Company, Bass River, Colchester County, has a plant which is one of the most complete in Nova Scotia. This company makes around 70,000 chairs of high grade workmanship a year. These include chairs for the average household needs, chairs suitable for churches, halls and theatres. All made from native hardwoods — birch, beech, and maple.

NEW BRUNSWICK HAS THREE UNIVERSITIES

Former Graduates Figure Prominently in Professional Life of Dominion

There are three universities in the province, all well equipped, and former graduates figure prominently in the professional business, industrial and political life of Canada and the United States. The University of New Brunswick was founded in 1800, largely through the efforts of refugees from the United States who emigrated to the country north of the Bay of Fundy at the close of the Revolutionary War.

University Curriculum

The university at the present time is organized into a department of arts and sciences, a department of applied science, and a faculty of law, the latter being located at Saint John. The applied science courses are three in number—civil engineering, electrical engineering, and forestry.

The university has graduated many men who have occupied prominent positions in the political life of the Dominion and the Empire at large. Among its graduates also are included many of the famous names in Canadian literature, such as Bliss Carman and Charles G. D. Roberts.

St. Joseph's College

The University of St. Joseph's, located at Memramcook, is conducted by the Congregation of the Holy Cross, a Roman Catholic order, and is widely known as the college of the French Acadian race. Non-Catholics are admitted as students and the influence of the institution extends far outside of the Maritime provinces. Many of the clergy, members of the bar and Acadians in political life are graduates of St. Joseph's. Hon. Pascal Poirier, of Shediac, the senior member of the Canadian senate in the order of appointment and the first Acadian to be elevated to the red chamber, was one of the early graduates of the institution.

Mount Allison

Sackville is the seat of Mount Allison University, for years one of the leading educational institutions maintained by the Methodist Church in Canada. Many young men and young women are on the rolls of the student body, and the college has been the starting point in the educational career of many who have attained high positions in Canada and in other countries. Hundreds of visitors are received at Mount Allison yearly and many gifts have been received from graduates and other friends.

Dominion Atlantic Railway

Come and See Charming Nova Scotia The Fruitful Annapolis Valley

Unique in Scores of Respects

Having been the cradle of European civilization on the North American Continent, Nova Scotia possesses stores of historical romance, and scenic attractions of outstanding interest to the Summer visitor.

What an appeal is there not in the old Port Royal, Grand Pre, Halifax, Louisburg stories and the monuments to be seen in these theatres of many conflicts in pioneer days. Thousands enjoy them every year. Every Canadian should visit the spots where history was first made in Canada.

The beautiful Annapolis Valley with its two million apple trees and its possibilities for expansion invites you to study its wonderful opportunities for the fruit grower. Mixed farming, dairying and its by-products, will interest those who are looking for investments along these lines.

Ask us for booklets and information on Summer vacation, golfing, fishing, hunting and other recreational pastimes in beautiful Nova Scotia.

GEORGE E. GRAHAM
General Manager
Kentville, N.S.

F. G. J. COMEAU
Gen'l Frt. & Pass. Agent
Halifax, N.S.

Pros and Cons Argued for Agreement Made Between West Indies

Supporters of Agreement Foresee Splendid Reciprocal Trade With Canada, While Others Condemn Undertaking as Involving Unjustifiable Expenditure

By L. W. FRASER

Supported by many as being the means through which a splendid reciprocal trade can be built up between Canada and the West Indies, and condemned by others as being an undertaking involving an enormous expenditure of money which cannot be justified, the Canada-West Indies Trade Agreement is the subject of a sharp division of opinion in Halifax. Probably the Canadian government has never made a trade agreement which has been so commended on the one side, and so condemned on the other, as has the agreement with the West Indies, as a result of which an augmented service to and from Canadian ports will be inaugurated shortly through the creation of the Canadian National (West Indies) Steamships Limited.

Prominent merchants of Halifax engaged directly and indirectly in the West Indies trade for many years have been so emphatic in their condemnation of the Canada-West Indies Trade Agreement, that the West Indies Committee of the Halifax Board of Trade in an official announcement has stated that in the opinion of the members of that committee the cost to Canada of the new steamship service proposed and the loss of revenue brought about by an increased preference on sugar will be out of all proportion to the benefit to be derived from any increase in business which the new agreement may bring to Canada.

Increased Traffic

On the other hand, equally prominent opinions are emphatic in their declaration that the trade agreement will result in an enormously increased traffic between Canada and the West Indian Islands which in turn will reflect directly and indirectly through increased traffic for Canadian shipping and railway facilities and in increased employment and better products for the Canadian workers and the Canadian markets. It is further declared by those in favor of the agreement that Canadian industries will profit by an enlarged market for such products as flour, butter, salt, fish, cheese, milk, meats, etc.

The Canada-West Indies Trade Agreement, the terms of which were arranged at a conference held in Ottawa and attended by representatives of both Canada and the West Indian islands, followed a preliminary trade delegation which visited the West Indies in 1924 headed by H. J. Logan, then Member of Parliament for Cumberland County.

Under the terms of this trade agreement an improved fortnightly passenger, freight and mail service is to be continued between Canadian ports and those of the British West Indies. This service to the eastern group, including Bermuda, Leeward and Windward Islands, Barbados, Trinidad and British Guiana, will be maintained the year round from Halifax and Saint John on the same schedule as the former subsidized Royal Mail Steam Packet Service. The service to Jamaica via Bermuda will be maintained as already established on a schedule from Halifax in winter and Montreal in summer.

Both services will be supplemented by additional freight services that will sail from Halifax in winter and Montreal in summer. The boats specified for the service are to consist of five oil-burning passenger ships and four freighters of the Canadian Government Merchant Marine fleet, the steamship service to be provided by the Canadian government, with the West India islands contributing an annual amount towards defraying the cost of the service. Three of these new ships are to go on the eastern route to British Guiana and two on the Jamaica service as described above.

C.N.R. to Act

In February of this year, Hon. James Malcolm, Minister of Trade and Commerce for Canada, announced that after careful consideration the government had decided to entrust the fulfilment of that part of the Canada-West Indies Trade Agreement providing for steamship services to the Canadian National Railways, the government being convinced that the service could be performed more advantageously and economically by the railway management.

Contracts have now been awarded for the construction of the five oil-burning passenger ships and pending their completion two of the converted ships of the Canadian Government Merchant Marine, the "Canadian Skirmisher" and the "Canadian Pathfinder," together with the freight steamers, "Canadian Carrier" and "Canadian Volunteer" are maintaining the fortnightly service.

During the past twelve years the freight and passenger service between Canada and the West Indies has been carried on by boats of the Royal Mail Steam Packet Company under subsidy of both the government of Canada and the West Indies. With the commencement of the effecting of the terms of the new agreement the Royal Mail Packet boats have been withdrawn, but in addition to the Merchant Marine boats there are also now engaged in this service boats of Pickford and Black carrying freight only, and a further service connected by the Dominion Ocean Company, Limited. It will be some months before the full service as set out in the trade agreement can be put into effect.

The part of the trade agreement which has been subjected to the chief criticisms of merchants already connected with the West Indies trade is the commitments which the federal government has made in the way of providing steamship facilities. These merchants, in common with the committee of the Halifax Board of Trade, declare that the expenditure is wholly unwarranted since Canada already enjoys with the West Indies as large a share of the trade of those islands as it is possible to acquire.

They point out, for instance, that in the case of flour Canada already provides ninety per cent. of the amount consumed in the West India Islands. It is, they declare, impossible for the Dominion to materially increase the amount of fish exported to the West Indies since a very small quantity is used and in addition, Newfoundland is in as favorable, if not more favorable, position to provide the market with this commodity than is Canada. Similarly, they argue, Canada cannot export meats to the West Indies since the Dominion is itself forced to import meats from the United States.

Objections Raised

In brief, they declare that the possibilities of an immense development in the West Indies trade exists only in theory and cannot be supported in practice, and they raise the further objection that increased preferences granted to the islands will result in a lessening of the customs revenue of the Dominion, a decrease which will not be productive of any indirect return in the way of increased traffic for the boats, since any increase in the shipment of fruit from the West Indies to Canada would, in all probability, be cared for by the boats of the United Fruit Company which organization is almost entirely in control of the fruit industry of the West Indies.

On the other hand, those favorable to the Canada-West Indies Trade Agreement declared that the province of Nova Scotia should be vitally interested in the import market of the West Indies and that there are immense possibilities in the way of potential development. The West Indies have annual imports of approximately one hundred millilon dolars of which approximately twenty-five million are from the United States, twelve million from Canada, and nearly sixty-three million from other countries. The supporters of the agreement declare that at least one-half of the West Indies imports should be from Canada, which would mean a jump from twelve million to over fifty million, or over four times the present trade.

Another point raised in favor of the pressing forward of the present trade agreement arises from the fact that Canada's export trade to the West Indies has remained practically stationary since 1920, while the European countries have been increasing their exports there by leaps and bounds.

Reciprocity Object

Those in favor of the treaty present the argument that as Canada has no tropical nor sub-tropical areas within the Dominion, as has the United States within her boundaries, to provide the tropical essentials for a northern country, that this country should consistently work toward that day when the British West Indies will for all the purposes of trade virtually be the tropical province of Canada, with their products admitted free to the market of Canada and our northern products, essential to such southern countries, admitted there as freely.

These are the conflicting opinions for some time prevalent in Halifax and the Canadian - West Indies Trade Agreement will continue to be the subject of warm debate for many months to come. The final success or failure of the agreement will not be determined until the new steamship service is given a fair trial.

EXPERT EXPLAINS FISHING INDUSTRY IN NOVA SCOTIA

Perplexing Problems Are Now Being Investigated by Royal Commission

By L. W. FRASER

The fishing industry of Nova Scotia, now under investigation by a Royal Commission, offers many perplexing problems, upon the solution of which depends to a large extent the livelihood of over 16,000 persons at present primarily engaged in this industry.

Probably no industry of major importance has been so surrounded with romance as has the fishing industry, and many have been the tales of valiant skippers who with their Bluenose crews have sailed to the Banks never to return. During the past two years six fishing schooners, carrying crews approximating 130 men have sailed from Nova Scotia ports never to return, and in the maze of this sad romance, it has for some time been overlooked by a large section of the public that the fishing industry in Nova Scotia was becoming less and less profitable, and was fast approaching the point where it would be impossible for the fishermen to continue their work.

Four Major Industries

Nova Scotia has four major industries,—mining, agriculture, fishing and lumbering. In the fields of mining and agriculture there has been a great revival. Coal production during the fiscal year just closed has set a new high mark, while agriculture in its various branches has shown enormous development. The lumbering industry, having lost to a large extent the old market for laths and sawn timber, is now turning to the more profitable field of pulp and paper, and there alone has remained the fishing industry in which field there has been no improvement, and in which conditions have gradually been becoming worse and worse.

It was this condition which caused the fishermen of Nova Scotia to demand that attention be directed toward their problems. Public opinion throughout the province experienced a belated awakening with the result that meetings were held and an investigation by a Royal Commission demanded. This is the situation with the Royal Commission, headed by Mr. Justice MacLean, is now investigating and, as was expressed to the commission by a prominent fisherman of the province upon the arrival of the official body in Nova Scotia: "I don't know whether you brought the sunshine with you, but I do know that you bring a ray of hope."

Fiscal Statistics

In the last fiscal year, according to statistics issued by the Dominion Bureau under the authority of the Minister of Trade and Commerce, 16,266 persons were primarily engaged in the fishing industry of Nova Scotia, that is to say, were fishermen, while the marketed value of the catch was $12,510,885. It is interesting to note in passing that the various kinds of vessels and boats engaged in the industry were 11 steam trawlers, 3 steam vessels, 367 sailing and gasoline vessels, 4,255 sail and row boats and 5,749 gasoline boats. To the casual observer, the figures given might indicate that the fishing industry in the province of Nova Scotia is in a healthy and vigorous condition. If, however, the reports of previous years are inquired into it will be found that such is not the case. The number of persons engaged in the industry has decreased by about ten thousand since 1914.

It would be very difficult to point to any one problem of the fisherman and state that that particular problem was the chief difficulty experienced by the industry. There are several problems all of which are acute, but the fishermen of the province believe that a solution can be found which will give new life to the industry and which will gradually restore it to a condition of health and enable it to expand and prosper.

Evidence Given

As it proceeded from point to point throughout the province, the Royal Commission has received evidence, first, from W. G. Ernst, M.P., general counsel for the fishermen, and later, from individual fishermen who emphasize local difficulties. One emphatic protest which is presented to the commission by practically all of the shore and deep sea fishermen, is directed against the operation in Nova Scotia of beam trawlers. In the past the problems arising from the operation of beam trawlers have not been properly understood. At the present time there are eleven beam trawlers operating from Nova Scotian ports. These beam trawlers, it is alleged, not only glut the market with what is termed by the fishermen to be inferior quality of fish, but they are said to be destructive to the breeding grounds of the fish, since the type of trawl used scrapes the bottom and destroys the breeding ground.

Moreover, the fishermen declare that these trawls catch fish of all sizes, many of which are too small to be marketable, and these after being thrown on the deck are forked back into the sea, dead. Furthermore, spawning fish which do not take a hook and consequently are not caught by the ordinary methods, are caught in the net of the trawler.

Another criticism levied against the continued presence of beam trawlers is that, of the eleven trawlers now in operation only one is owned in Nova Scotia while the remaining ten are of foreign registry manned by foreign crews and to all practical purposes the fish caught by these trawlers are foreign fish landed in Nova Scotia duty free. To these allegations of the fishermen the operators of the beam trawlers declare that the fish is not inferior in quality and that furthermore the trawlers are necessary since they supply the market during the winter months when the fishermen are unable to carry on their operations. The problem of the beam trawlers and whether or not they are to be eliminated is one of the perplexing problems with which the present Royal Commission must deal.

Expansion of Markets

The expansion of markets is also a dire need of the Nova Scotia fishermen. The New England states, with their large population, are an easy and natural market for Nova Scotia fish, and they constitute a market which was enjoyed by Nova Scotian fishermen for many years. The Fordney-MacCumber tariff imposed by the United States has necessitated the payment of a considerable duty on practically all kinds of fish entering United States. In spite of this tariff, a very considerable portion of the catch is still marketed in the United States, and it is urged by the fishermen of the province that the Federal Government, for the purpose of establishing an enlarged market in the United States and in other countries where the tariff is adverse, should create a bounty or subsidy equal in amount to the duty on all fish shipped into such countries. Closely associated with this representation is the request that a duty be imposed on all foreign fish imported into Canada including fish from Newfoundland.

Transportation and transportation facilities offer another difficulty. The fishermen declare that refrigerator boats in certain localities and a reduction in freight on live lobsters, by the removal of this latter article from the luxury class in freight rates, would be of material assistance.

A term which is little understood by the public generally is involved in the demand for the fishermen that the "modus vivendi" be restored. To properly understand this term it is necessary to review briefly the history of fishery relations between the Dominion of Canada and the United States, which dates back to 1783. Various treaties were enacted since that date between Great Britain and the United States. At times during the course of years American fishing vessels have been allowed to enter our waters for bait and supplies and at time such privileges have been refused them.

From 1888 to 1923 there existed what is commonly known as the modus vivendi, whereby United States vessels were granted on paymen of $1.50 per registered ton annual licenses authorizing to purchase provisions and outfits in Canadian ports, transship catches and ship crews. In 1923 this privilege was withdrawn and United States fishing vessels refused entry to our ports except by International Law. The purpose of the abolition of the modus vivendi was to assist Canadian fishermen.

Prevailing Opinion

The prevailing opinion throughout the entire province is that the measure defeated its own ends, and there is a strong desire in all fishing districts that the privileges of the modus vivendi be extended again to fishing vessels of United States registry, with this restriction, however, that such vessels land or transship no fish at Canadian ports. It is pointed out that in the matter of bait alone United States fishing vessels contribute substantially to our shore fishing, and that in the purchase of supplies they assist materially in the general prosperity of the communities which they visit.

The administration of the fisheries of the province, in so far as governmental action is concerned, has been raised by the fishermen as a point involving a need for drastic reform. It is urged that a separate federal department of fisheries be established involving the separation of the present Department of Marine and Fisheries into two departments, one of marine and the other of fisheries. It is, moreover, urged that fisheries inspectors should be men with practical knowledge of the fishing industry, the Civil Service Act notwithstanding.

Fishermen's insurance, long term loans, intensification and expansion of scientific research, radio broadcasting of storm signals, and a readjustment of fishing bounties are some of the other representations which have been strongly urged by the fishermen upon the Royal Commission now investigating the industry.

Solution May Be Found

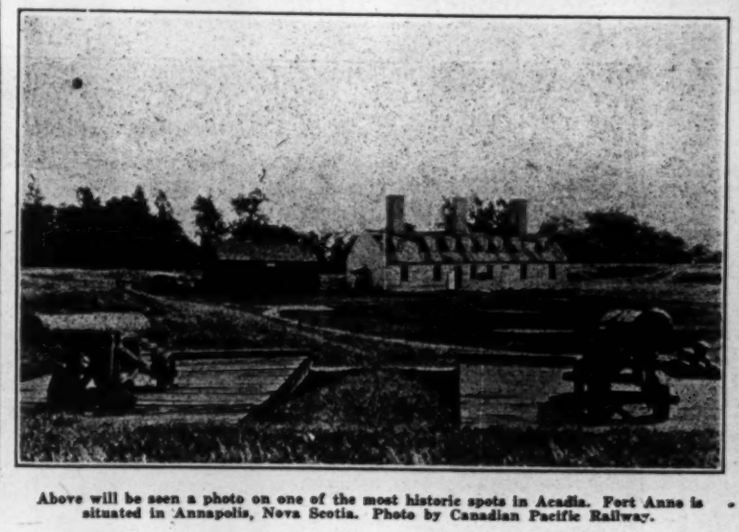
Perplexing as are the problems which confront the fishing industry of Nova Scotia, there is every reason to believe that solutions can and will be found. Probably the greatest hindrance to a development in this industry has been the lack of a sound public opinion. In the past, the fishermen themselves have been without proper organizations. An act designed to promote fishermen's unions was placed upon the statute books of the province several years ago and last year was improved and re-enacted. However, very few unions had been formed under it.

There has been a great development during the past few months in the establishment of such unions and the fishermen of Nova Scotia are now being organized in a systematic manner. Every indication points to the fact that within another year the fishing industry will be among the best organized industries of the province. This concerted action on the part of the fishermen themselves, together with a well-informed and enlightened public opinion cannot but be productive of good. The fisheries resources of Nova Scotia are enormous, and it is the confident belief of the people of this province that the development which will be experienced by the industry in the immediate future will be correspondingly great.

INCREASED SUBSIDIES

Prince Edward Island's appeal for increased subsidies at the recent interprovincial conference received the support of all other provinces. This, it is intimated, was the unique feature of further discussion on provincial subsidies by the conference.

A Famous Redoubt



Above will be seen a photo on one of the most historic spots in Acadia. Fort Anne is situated in Annapolis, Nova Scotia. Photo by Canadian Pacific Railway.

The Flowing Tide

Nova Scotia is being swept onward and upward by the Wave of Commercial Success. Everywhere optimism abounds.

A highly remunerative tourist season is closing. Talk in the capital city is centered upon preparations for the construction there of an up-to-date, fire-proof hotel in which the C. P. R. will have a predominating interest; and on the plans for the erection by the C. N. R. of a railway hotel and a new passenger railway station in Halifax.

Fishing interests are deeply engaged in the preliminaries to the building of a large cold storage plant at Dartmouth. An exceptionally large crop of apples is in course of being shipped to England by the fruit growers in "The Valley", and the mining situation is one that affords a basis for hopes of a most sanguine nature.

Nova Scotia seems rapidly to be coming into her own!

No wonder that throughout the Province the feeling towards the future is one of confident hope.

That makes for increased communication; and the speed, ease and efficiency of the Long Distance Telephone Service make an appeal which is meeting with a ready response.

Four times in 1927 a month's Long Distance traffic has shown a record in excess of that shown by the corresponding month in any previous year, and the amount of the traffic generally lends emphatic support to the view that better times for the Province lie within touching distance ahead.

By the association of a highly trained personnel with apparatus of a tested and efficient type, this Company strives to furnish service of the highest grade between all points in the Province and between Provincial points and points in other parts of Eastern Canada and in the U.S.A.

Maritime Telegraph & Telephone Company Limited
Halifax, Nova Scotia

To Maritime Province Investors

The first office of Royal Securities Corporation, Limited, was established in Halifax, Nova Scotia, in 1903.

In the intervening period of 24 years the business of the Corporation has spread far beyond the boundaries of the Maritime Provinces, but at the same time we have maintained our position as the largest and most active investment banking house engaged in the financing of Maritime Province enterprises.

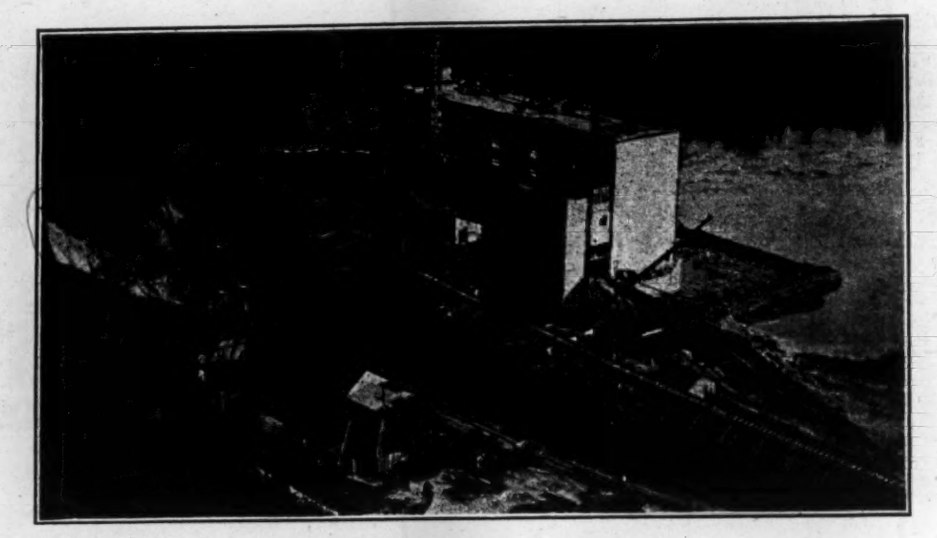
To-day, there are offices and representatives of Royal Securities Corporation at the service of investors from St. John's, Newfoundland, to Victoria, British Columbia.

When you wish to buy or sell securities, or require information regarding your investments, you are invited to use the facilities of this Dominion-wide organization by communicating with our office nearest you.

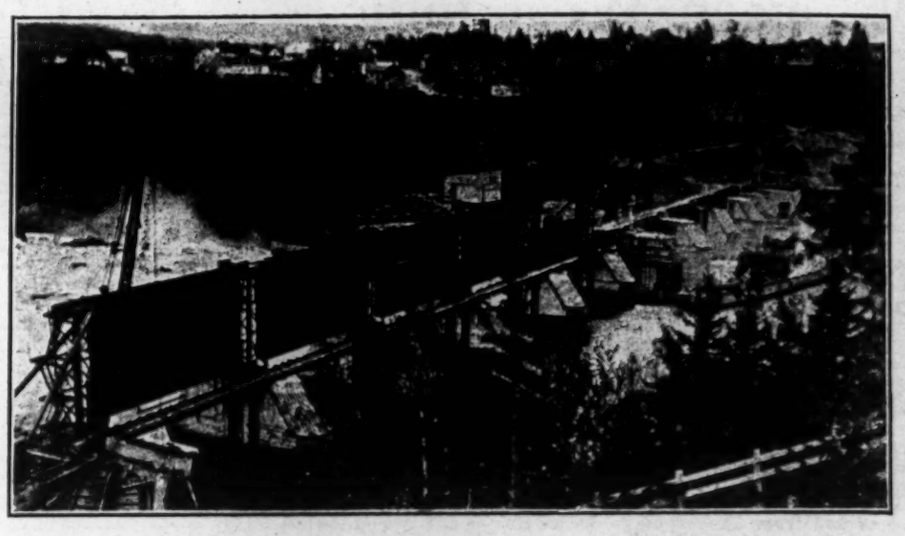
Royal Securities Corporation
Limited

HALIFAX 187 Hollis St. | SAINT JOHN 19 Market Square | CHARLOTTETOWN Riley Building | ST. JOHN'S, NFLD. Board of Trade Building

Montreal | Toronto | Quebec | Ottawa | Hamilton | Winnipeg | Calgary | Vancouver | Victoria | New York



A general view of the progress of the construction work on the powerhouse of the 60,000 h.p. Grand Falls power development.



The substructure and superstructure looking downstream from the east bank of the river. The erection of the gates is seen well under way.

GRAND FALLS New Brunswick

Centre of the Largest Power Development in the Maritime Provinces

Saint John River Power Company's Development Brings Industrial Expansion and Prosperity to New Brunswick

THE Town of Grand Falls, New Brunswick, is the site of the great 60,000 horse power hydro-power development at Grand Falls itself, on the Saint John River.

This development — which is being made by the Saint John River Power Company, a wholly owned subsidiary of the International Paper Company—is now 70 per cent. complete. Concrete is being poured in the exterior walls of the powerhouse, and erection of the steel penstocks is going forward.

An interesting feature of the power development is that water from the main dam to the powerhouse flows via a tunnel half a mile long under the Town of Grand Falls itself. There is less than 900 feet of concrete lining to be completed in this 2,700-foot pressure tunnel.

The superstructure for the gates on the main dam and also the gates themselves are now being erected. This hydro-electric plant will be the largest hydro-power development in the Maritime Provinces.

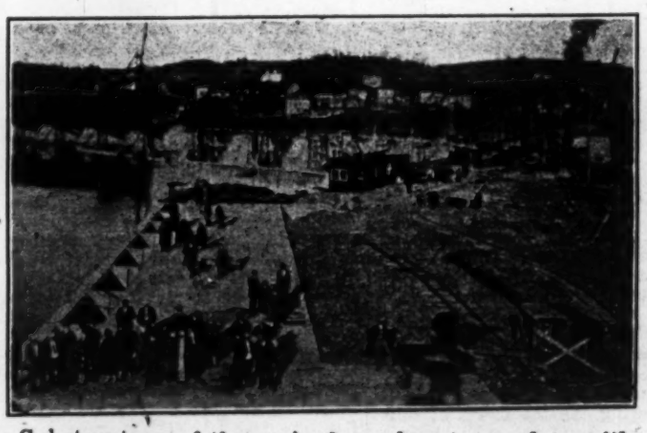
Industry Follows Power

The construction work at Grand Falls brings local prosperity to the town and directs attention to its advantages for industrial growth.

Nor is local prosperity alone affected. The whole province benefits. With approximately 450 men employed on construction work and an average payroll of over $50,000 a month, this purchasing power is reflected in all parts of Canada.

Moreover, the Grand Falls power development is definitely making possible a substantial growth in the province's pulp and paper industry. The Fraser Companies will shortly double the output of their New Brunswick plant to utilize the power they have contracted for. Then the plans of the New Brunswick International Paper Company call for the building of a 250-ton newsprint mill — ultimately to be increased to 500 tons daily production.

Thus will be further extended the good influences, both in New Brunswick and throughout Canada, of the industrial expansion and purchasing power created by the Grand Falls development.



Substructure of the main dam almost complete with the superstructure half way across. The usual Sunday crowd of visitors is seen inspecting the work.

Mayor and Councillors

MAYOR
David J. Collins

COUNCILLORS

John N. Vasseur — George A. Ryan
Herbert S. Rideout — Herbert H. Tait
Fred W. Pirie — Herbert L. Mulherin

For information write

W. V. POWERS
Town Clerk

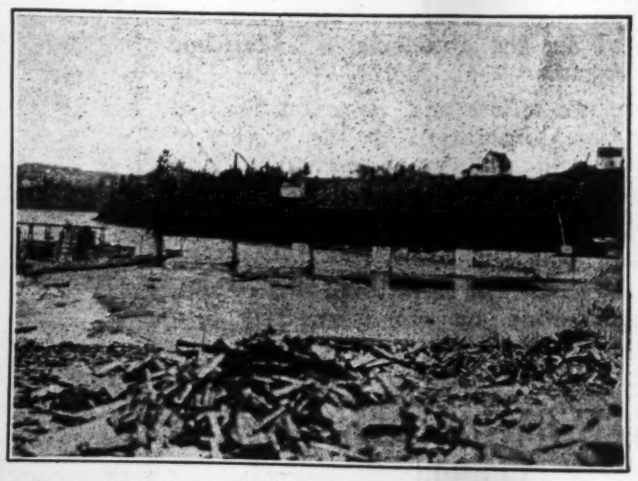
GRAND FALLS - N.B.

Opportunities for Industry in Grand Falls

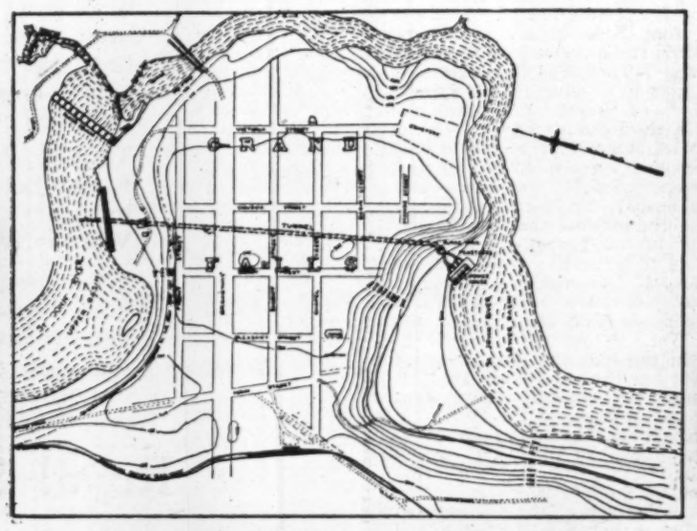
There will be surplus power over and above that used by International Paper Company and that contracted for by the Fraser Companies, Limited. In fact, the powerhouse foundation will provide for the installation of an additional 20,000 horse power unit — making a development of 80,000 horse power.

Grand Falls is a logical location for industry. It is adjacent to great lumber reserves. The power situation is, of course, excellent. The town is served by both the Canadian Pacific and the Canadian National Railways. The surrounding agricultural district provides farm and dairy products. Good banking facilities, living and school conditions, a splendid water supply and efficient fire fighting equipment add to Grand Falls' advantages.

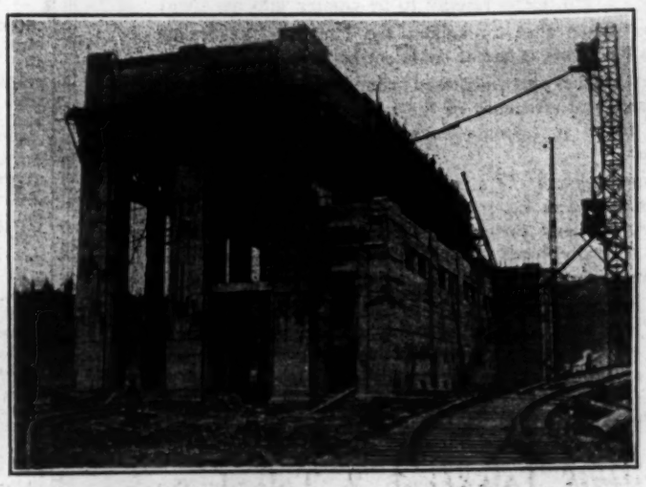
The making of hardwood specialties, furniture factories and the establishing of pulp and paper mills are logical industrial developments to be expected.



The substructure and superstructure looking upstream from the east bank of the river.



GENERAL PLAN OF GRAND FALLS
Note Tunnel of Power Development Goes Under Town



Powerhouse from the upstream end.

Canadian Mining News

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

Insurance—page 54
Banking—page 55

Vol. XXI. Member of Audit Bureau of Circulations PUBLICATION OFFICE: TORONTO, NOVEMBER 18, 1927 10c a Copy; $5.00 a Year No. 46

Indicated Ore in Buchans Mine is 3,000,000 Tons High Grade, But Complex

Toronto Crowd Has Taken Up Big Group of Adjoining Property in Nfld.

VALUES ARE HIGH

Zinc is Principal Content, But Also Shows Other Base and Precious Metals

Because of the tremendous tonnage of indicated ore in Buchan Mine, Newfoundland, great interest is being taken in that area by Canadians. At the present time a number of mining men have organized a syndicate and secured an important property.

H. A. Guess, vice-president of American Smelting and Refining, the Guggenheim's big operation, which has the Buchan property under option, has just made a statement to Engineering and Mining Journal on that operation. Our understanding is that the Guggenheims have secured only about a 50 per cent. interest in the operation and are putting up all the development money.

Anglo-Newfoundland Development Co. are the original owners and they spent a considerable sum of money on exploration but are understood to have encountered difficulties in trying to work out a suitable process for treating the complex ores.

Mr. Guess' statement follows:—

"The property, which is held on a partnership basis jointly with the Anglo-Newfoundland Development Company, upon whose concession it is located, lies some 5 miles north of Red Indian Lake. The orebodies, which occur as a series of lenses along a zone, as so far opened up, approximately 2 miles, are associated with andesites, andesitic porphyries, tuffs, and quartz porphyry. The ore is a very fine grained sulphide complex, varying somewhat at different points along the zone; and averaging, so far as now opened up, about as follows:

Gold	Silver	Copper	Lead	Zinc
Oz.	Oz.	Per Cent.	Per Cent.	Per Cent.
0.03	3.0	2.0	7.0	16.0

"Baryta is a considerable component of the gangue. Some 3,000,000 tons have been indicated by the considerable diamond drilling and underground work so far done.

"At the time of acquisition, two orebodies of moderate size were disclosed at the surface. The additional bodies, which were covered by glacial drift and other material, were found by electrical prospecting, the Lundberg method being used and the work being carried on by the Swedish American Prospecting Corporation. The largest ore lens, which will be the orebody upon which mining operations will be centered for the first few years, outcropped at surface, with no covering other than soil and glacial drift. This orebody is a flat-lying deposit of considerable surface area, and, at the outset, will be mined by glory holes. Through connecting drifts at the bottom of these glory holes, the ore will be trammed to a skip pocket in a vertical shaft some distance removed, and, on being hoisted, will be dumped into a crushing plant and passed on to the mill.

"The construction program, which is now under way, includes a selective flotation mill of 600 tons daily capacity, a hydro-electric plant of 2,000 to 2,500 h.p. on Buchans River alongside, the water being led from storage dam to power plant by a 6-ft. steel penstock, 5,800 ft. long. Also included is a 22-mile railway taking off from the Anglo-Newfoundland Development Company's Millertown branch, at a point 15 miles west of Millertown Junction. In addition, there are the usual shops, staff houses, workmen's cottages, and other buildings. Construction began with the opening of the season last spring; the railway is now completed and the power plant will be by the end of November. The mill, which is of steel and concrete, will be ready for production some time next summer.

"A storage building of steel construction is also being provided alongside the mill, and another one at the port of Botwood, 90 miles distant, for storage of the concentrates during the four months, or thereabout, that navigation from the port of Botwood is closed. It is contemplated that, for the present at least, the concentrates will be shipped to Europe for smelting.

"The property is known as Buchans mine and is being operated by Buchans Mining Company, Ltd., a subsidiary of A. S. & R. Co., incorporated for that purpose in Newfoundland."

The statement indicates that the Buchan property compares favorably with the Sullivan of Consolidated Smelters, Flin Flon, which Whitney interests have under option in Northern Manitoba, Sherritt Gordon, 35 miles north of Flin Flon. All four have tremendous base metal ore deposits.

Whispering Campaign New Finance Method

There are many ways to awaken public interest in mining ventures to the end that the public will become sufficiently interested to put their money in. Ottawa interests seem to have devised a novel one, termed "a whispering campaign," most successfully. It was handled as a mystery stock. No one knew anything about the company and a great many who purchased the stock are still ignorant as to its backers. But everyone was talking about it. It was boosted as one of these secretive good things. Brokers say that no matter how they advised clients to leave it alone, they bought. It is said that the promoters got rid of 1,800,000 shares in a couple of weeks. The venture is a pure gamble.

ANKERITE'S GRADE BETTER WITH MILL DRAWING ON STOPES

Lower Costs and Higher Values Begin to Reveal Property's Possibilities

The grade of ore which Ankerite mill has been treating has been materially improved, since stoping got well under way and the operation begins to give indications that the ore, more concentrated than that of Hollinger, will give a run-of-mine yield better than Hollinger.

Ankerite has been running its mill for nearly a year now practically all on development ore and in addition to the new money which has been put up by the operators, the funds from the sale of bullion have been plowed back into development as well.

Of late, however, a considerable number of stopes have been opened and this ore is now going to the mill. For a short time some of this ore averaged around $12 but the mill was stepped up to its present level of 225 tons daily and the grade reduced. It is the intention, in the near future, to step the mill up to 300 tons.

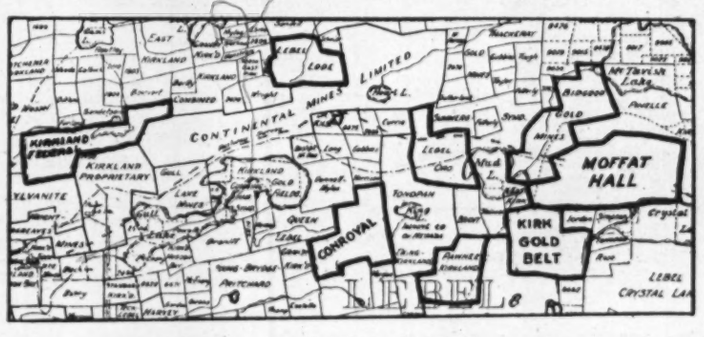
Casts at the moment stands second in Porcupine to Hollinger and are averaging now around $4.35 per ton. It is the expectation of the management that when 300 tons are handled daily that the costs will be down to $4.

Just how large a producer the Ankerite will work out to be is not known. There are a number of interesting situations in the sections of the mine developed that are yet to be explored and the indications from these lead some to believe that it will be but a short time before the mill will be up to 1,000 tons daily. No official statement is available on this, however, although it is admitted that the deep development program which is about to be launched, has back of it a desire to materially increase the mill tonnage.

Wright Hargreaves Cuts High Grade at 1,625-ft.

Wright-Hargreaves cut its north vein, No. 2, on the 1,625-ft. level this week and showed a width of eight feet, high grade and visible gold and tellurides showing the same character as the ore above on the 1,500 foot level. The vein was cut in sinking to 2,000 feet. Sinking will continue and drifting on the 1,625 resumed when further sinking is completed. Officials regard this find as of major importance.

Kirkland's New Scene of Activity



Numerous New Operations Starting in Kirkland Lake

Eastern Section of Camp Greatly Aroused Because of Success Met with on Bidgood — New Concerns Are Well Financed

Kirkland Lake has now the largest number of new operations under way that it has had for years.

Bidgood seems to have put new life into the eastern section of the camp. There were other operations going and new ones under way before Bidgood made its rich discovery, but this find caused quite a rush of new companies.

The new activity in the camp is not confined to the eastern part. On the extreme west the old Gateway is diamond drilling and is reported to have got some good results lately.

Moving east one comes to the Grozelle. Diamond drilling has been recently completed and the company is now awaiting finances to resume shaft sinking.

North of the main producing section, on what is termed the north break, is the Goodfish, which is sunk 1,000-ft. Some new work is also being attempted on Columbus.

Farther east and to the north of the producing zone is Federal Kirkland, which is awaiting power. Lebel Lode, a pioneer operation is in good hands but has had hard luck in its financing. It has a likely looking property.

The farthest west of these is the Conroyal, which is an amalgamation of the old Kirk Gold and Oswega. This is the real pioneer in the section. It has carried on steadily and for a long time was the only operator in the area. The shaft was sunk to 550-ft. and then a crosscut ran to the vein. It showed a good width and encouraging values. A winze was dropped from this point and is now at 850-ft. Stations were cut at 675 and 800-ft. At 800 they crosscut 25-ft. to the vein and it showed a width of 9-ft. and decidedly encouraging values.

To the southeast is Pawnee Kirkland which is under the management of Jack Byrne, who also controls the Northland. Good results have been met with down to the 500-ft. level where some excellent commercial ore was opened as well as above this point. This operation is looking extremely well.

Lebel Ora has taken on a new compressor. It is separated from Bidgood by one claim. Work should be resumed this week. When work ceased at the 200 foot level previously, the drift was into commercial ore, and there was every indication that this shoot would persist. Operations will be resumed on this ore face immediately, and it is expected to yield important results within a very few days.

Bidgood cut ore carrying high values on the 300-ft. level. The vein is 21-ft. wide and when raised on to 250-ft. showed a continuance of good ore. Now they are driving on the 400-ft. level and news that the ore has been picked up there is expected any day. The 600-ft. level should soon follow.

Moffatt Hall, farther east, is to start diamond drilling. The company has financed quietly and will start work with $100,000 cash in its treasury.

Farther east, beyond the boundary of the above map, is the Murphy Mine, a well sponsored new venture that has already started diamond drilling. This property proved quite a sensation a couple of years ago because of the rich telluride ore which marked the original discovery on the group. It is well financed and is in good engineering hands.

INCREASE CENTRAL MANITOBA TONNAGE

Handling About 100 Daily and This Will be Worked Up to 200 Tons

Improving values on the Kitchener groups and the development of an important new find on the Tene 6 group are the features outlined in a progress report of Central Manitoba Mines.

Previous report on the Tene outlined very good surface showings, but that the results underground were disappointing until the vein was picked up again by crosscutting to the south.

The mill has been treating about one hundred tons a day, but is running this amount through only for limbering up purposes. In a very short time operations will be speeded up to from 150 to 200 tons daily. No word as to recovery will be received until after the freeze up. It is hoped that some news will be out within the next three weeks, however.

The report stated that the shaft on the Tene holdings had been dewatered and crosscuts made north and south on the 140-foot level. Ore shoots averaging around $15 a ton were encountered and these promised to develop into important bodies. Sixty feet of drifting had been done from the south crosscut close to the shaft and all but twenty feet of this had been in quartz with a width of over four feet and showing commercial values.

On the Kitchener property the winze which was put down on the 375-foot level west of the shaft had been sunk to 126 feet and at that point values averaged close to $12 per ton.

E. S. Pettis had been appointed as mill superintendent and W. W. Raymond was in charge of underground developments.

COMMERCIAL ORE ON ALL FOUR LEVELS

Pres. Hammell, of Howey, Looks for Interesting Values Drifting on Vein

Pres. Jack Hammell, back from the Howey Gold mines at Red Lake, brings word, though not in detail of the third and fourth level. He says that commercial ore was cut on all four levels, and pictures an interesting conition when drifting on the vein starts from the eight ore faces.

"It is particularly gratifying to know that commercial ore had been encountered on all four levels," says Mr. Hammell, "because the shaft is located opposite 'R' trench, which was one of the most disappointing on the property, and gave values on the surface of only $3.20 over 6.0 ft.

"The management therefore feel very much pleased with results obtained in the crosscuts in this locality. Diamond drill holes Nos. 12, 13, 14 and 22 located about 50 ft., 100 ft. and 150 ft., respectively about the same distance east values $6.70, $41.15, $9.53 and $17, over good widths, while diamond drill holes, Nos. 15, 16 and 17, located respectively about the same distance east of the crosscuts gave values $23.56, $19.48 and $7.16. It is anticipated that drifting east and west on all levels will bring them into even better grade ore.

The new surface report will be completed shortly. It will be the most satisfactory one made so far on the property and it is confidently expected that sampling is going to show an improvement over any previous sampling made to date.

"With the financing definitely arranged and such encouraging results from the property itself, the company is looking forward to early production on a large scale."

Sudbury Basin Co. Gets Cheney Copper

Sudbury Basin Mines are expanding and in addition to the large holdings which the company has in the lead-zinc-copper section of the Sudbury camp, they have secured the Cheney Copper property at Dean Lake which is on the Soo line of the C.P.R. It is understood that the company has ordered a mining plant similar to that which was placed in operation recently on the Malartic Gold Mines in Quebec, and that an aggressive campaign of exploration will be undertaken as soon as the plant is in place.

Whitneys Are Certain to Exercise Option on Flin Flon Mine Dec 1

Conducting Negotiations at Ottawa on Freight Rates, Branch Line and Power

BIG PLANS MOOTED

Timmins and Whitney People Together — Sherritt-Gordon May Figure in Deal

From Our Own Correspondent

OTTAWA.—Negotiations between the Whitney interests of New York, the Federal Government and Sir Henry Thornton, president of the Canadian National Railways, have reached a point where the immediate development of the Flin Flon copper mine in Northwestern Manitoba, is virtually assured. Agreement upon all the important points at issue has been reached and only minor matters remain to be adjusted.

The development is to cost upwards of $18,000,000, including power plant and transmission line, and will be served by a branch line of the National Railways, 80 miles in extent, which will cost several millions to construct.

The Whitney option on the Flin Flon property, secured from Mining Corporation of Canada, expires next December 1, and will be exercised, according to the information available here.

Railway and Power

Negotiations conducted in Ottawa had to do chiefly with railway connection, power site and freight rates. Sir Henry Thornton was in conference with representatives of the Whitneys and an agreement in regard to freight rates was reached before he left for Mexico. In regard to the branch line, it is understood that the department of railways and canals is prepared to guarantee construction at as early a date as possible. Some way may be found to start this work before the opening of parliament.

As for a power site, the Whitney interests already have an option on Island Falls, on the Churchill River, northwest of the mine, but in the last few weeks have been considering changing to the White Mud Falls on the Nelson River. The reason for the change appears to be the larger amount of power available at White Mud—250,000 to 100,000 horse power. The White Mud is now clear from all incumbrances by way of permits, and the Flin Flon Company will endeavor to get it if a joint development with a paper company can be arranged.

Paper Plant Likely

A large pulpwood berth surrounding White Mud has been set aside by the Federal Department of Interior, and it is believed there is sufficient wood available to warrant a 600 ton per day newsprint mill. The International Paper is interested and has informed the Interior Department that cruises of the area are being made at the present time. If the amount of wood available is thought sufficient, the International will apply for the power site, and, no doubt, a joint development could be arranged.

Serve Wide Belt

The investment of $18,000,000, is based on a development at Island Falls. If the White Mud was selected, the ultimate cost would be greater. However the transmission line from White Mud to Flin Flon would run through the whole of Northern Manitoba's mineral belt and would prove an enormous boon to development.

Another important development of the last few days is the prospect of the Sherritt-Gordon property being pooled with Flin Flon in a common development. N. A. Timmins has been in Ottawa recently and active negotiations between Timmins and Whitney have already commenced.

A definite announcement as to the future of Flin Flon is to be expected within a week. The negotiations now have proceeded so far and have been so successful that it is practically certain that Whitneys will exercise the option and proceed at once with the construction of a plant.

It also seems virtually certain that the Sherritt-Gordon claims will be brought into the development.

Eldorado Cuts 5-ft. New Finance Method

Gilbert Labine, manager Eldorado Mines, near Central Manitoba Mines, sends out word that the shaft cut the vein at 125 ft. and that it is five feet wide and shot with fill gold. This is double the width where it showed on surface and there is much more gold showing. Mr. Labine would not express an opinion on values, but will forward the assay results in a few days. The shaft was started down on the vein but it dipped out at 64 ft. and has evidently come back stronger than ever.

AMULET TO SELL 500,000 SHARES TO SHAREHOLDERS

New Company Organized and Additional Funds Will Equip Mine

Holders of Amulet shares can take up one new share at $1 for each four now held. This means that for each 1,000 held a shareholder gets the right to take up 250 new at a cost of $250 and these 250 shares, at the present market are worth $1,225. This makes Amulet rights worth around $1 each or about equal the price at which the new stock is being allotted. In addition shareholders are given three months to pay. 33 cents with application, 33 cents a month later and 34 cents the next month.

This has been brought about by the directors incorporating a new company, under a Dominion charter, with a capitalization of 3,000,000, no-par-value shares. This will place 1,000,000 shares in the treasury and as soon as shareholders ratify the proposals, which will be on Nov. 23, the directors immediately propose to offer 500,000 shares at $1. The books of the company closed Nov. 9.

The $500,000 which the new financing will provide in 90 days will, directors believe, take care of all exploration and development expense plus the installation of a permanent mining plant and leave a substantial balance to partially meet cost of a concentrating plant for treating the ore. When the time for this comes additional shares will likely be offered shareholders. A few months further exploration will be carried out before mill plans are considered.

The report says that several carloads of copper zinc ore have been treated to determine the best method to adopt to separate the copper and zinc and at the same time keep the gold and silver values with the copper product. These tests are reported to have shown satisfactory results.

Pres. R. E. Popham confirms previous reports that two diamond drill holes south of the fault had cut high-grade ore. This section had previously been regarded as lying south of the southern boundary of the ore deposition in that locality.

Ken MacPhayden, in a report dated Sept. 24, which is also sent shareholders, says any attempt to estimate ore reserves would be premature.

Work has been concentrated on No. 4 area, where 14 surface outcrops were exposed. Ore has been found to extend laterally or to depth and has yet to be defined as to area. Three surface showings, Nos. 8, 9 and 10, have been proven by diamond drilling to unite underground and the resulting ore body has already reached important commercial proportions. Another, No. 11, has been developed to a point where commercial ore bodies are assured. Further work, Mr. MacPhayden says, may show the two bodies connected underground, but this is problematical.

Three Companies Secure Sherritt-Gordon Shares

It is announced that an agreement has been reached whereby McDougall Mines will receive for its treasury 150,000 shares of Sherritt-Gordon mines. These will be held in the company's treasury.

Two other operations sponsored by the Lindsley-Errington interests have secured blocks of stock in this sensational operation. Bedford Mines, which is on the west side of Amulet in Quebec, with McDougall on the east side, has also 150,000 shares, while Sudbury Basin Mines holds 170,000 shares.

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Mond Nickel Cuts 70 ft. Ore Giving 22 Per Cent. Copper Below 3,000 ft.

Diamond Drilling Reveals Ore Similar to That of International Nickel

Mond Nickel Co. in diamond drilling Frood Extension property has cut ore running 22 per cent. copper and 1½ per cent. nickel.

This information was announced from the head office of the company in London on receipt of a cable from the mine.

The first cable said that from 3112 ft. to 3,238 ft. a drill had cut ore, indicating a body 70 ft. wide. It was not a solid core but the sludge sample, though not reliable, gave an average of about 20 per cent. copper and 2 per cent. nickel. A later cable confirmed the assays from this hole and gave values as approximately 22 per cent. copper and 1½ per cent. nickel. There is no mention of precious metal values in the ore which are a feature of the values which International Nickel got in its drilling of its section of this same ore body. It showed a high platinum content.

It is intimated by Mond Nickel directors that it will be some considerable time before detailed information as to the values in this ore and the extent of the body becomes known. The drilling was done from 2.000 ft. and work on sinking the shaft to a greater depth is now proceeding, the company having secured the crew which sank the 4,000 ft. McIntyre shaft, to do the task.

Meanwhile London has got quite excited over the ordinary shares of Mond Nickel which have sold up around 3⅝ sterling or 72½ shillings. Stock Exchange, Gazette, London, in discussing the issue recently said that it looked over there as if Canadian buying had contributed to the rise. They predict that the company will soon be earning 20 per cent., but they do not expect dividends at that rate for some time yet.

Petroleum Industry Stands Ninth in West

Petroleum is the 9th largest industry in Western Canada. Alberta's total petroleum products for 1925, valued at $5,458,412 placed it among the ten leading industries in the West. This does not include figures from Saskatchewan or Manitoba which would add to this total.

1926, petroleum selling value was $8,374,651, an increase of approximatelv 60 per cent. and this year will be much larger.

BROKER URGES QUEBEC REGULATE SECURITY SELLING

Says Much Good Done by Blue Sky Enactment in United States

Activities of Attorney-General Price's department in checking up brokerage houses, have resulted in much talk about legislation to control the operations of fly-by-night houses. A step in the right direction has been taken to bring Dominion and provincial company control closer in line. This in the past has created a dangerous situation. Now for some measure that will control those who are doing the selling, for as one old-time broker recently remarked, a crooked dealer can gyp the public, even on a Victory bond deal.

Jos. Brochu, Montreal, a successful broker, dealing with mining promotions, is urging that the province of Quebec take some steps to place some controlling enactment on the statutes. He strongly favors the laws of Massachusetts. He says:

Not so long ago, Maryland, Ohio, and Massachusetts were infested by crooked brokers, straw brokers, and swindlers. To-day those states boast a minimum of those gentlemen. Whence came the purifications?

In the State of Massachusetts, for instance, there is a commission controlling stock issues, which sits permanently. There, no stock may be sold without a permit. It is understood from the beginning that, on the slightest complaint, on the first irregularity, the commission's order is: "Stop him." Before issuing a license, the commission informs itself. The applicant must expose in detail the technical and financial aspects of his proposition. He must give the name of the promoter, those of the directors and of the broker to whom the issue has been confided. The secretary of the commission is constituted a prosecutor for the receipt of complaints made against any organization.

The commission orders investigation of the financial status of the company, of the character of the promoter, the directors, and the broker. If any one of them is tainted, it is sufficient for the sale permit to be refused or withdrawn. And the commission is a court of last resort.

The proceedings of the commission are available to the public, whose members may seek information. If anyone asks for information which a company has not already given, the commission makes the probe in behalf of the inquirer. If the reply is not satisfactory, the permit is cancelled. It has even happened that the Massachusetts financial commission has dispatched engineers to make an investigation of certain mines on the ground, so that their value may be known exactly.

It appears to us that it would be advantageous for the Province of Quebec to adopt a similar regime.

It is urgent that protective and preventive measures be adopted without delay, in the interest of those who save and of honest brokers who suffer by disloyal competition.

There seems to be only trouble in Boston, as far as we can see. It is that some wild stuff seems to get on the Boston Curb and stocks are carried to a level out of all proportions. Montreal Mining Exchange started out as a vest pocket edition of the Boston Curb and met with a fair measure of success in emulating it. However, a better element got control and the activities of Mr. Price's department in Ontario has brought exposures that have forced a clean-up of the Montreal situation.

GULL KIRKLAND TO SOON SINK SHAFT

Surface Work Following Drilling Gives Very Good Indications

Gull Kirkland Mines, operating in Gull Lake, east of the producing section of Kirkland Lake, is making a deal with the T. & N. O. for a siding into their property so that materials and supplies can be delivered and shaft sinking started.

Pres. A. H. C. Canson says that trenching and stripping is being done to determine more definitely the extent of a cross fracture which was cut by one of the diamond drill holes, and which showed 30 feet of highly mineralized matter. This surface exploration, he says, indicates that this fracture is much greater in extent than first supposed and at depth is likely to form an ore-bearing body.

Gull Kirkland put down five drill holes on the property. Briefly, the results obtained were as follows:

No. 1 hole, depth 605 feet; formation porphyry. At 235 feet, 5 feet of quartz and schist, at 380 feet cut No. 1 vein 6 feet of quartz and schist.

No. 2 hole, depth 605 feet, formation porphyry.

No. 3 hole, depth 800 feet, formation porphyry.

No. 4 hole, depth 805 feet, formation porphyry. At 200 feet showing 30 feet of mineralization.

No. 5 hole, depth 803 feet, formation porphyry. At 500 feet 30 feet of heavily mineralized quartz and schist, and at a lower point 2 sections of quartz and schist, each 6 feet in width.

Holes Nos. 2, 3, 4 and 5 drilled in a north and south direction, are overlapping each other.

Julius Messer, consulting engineer, says that while diamond drilling is not conclusive as to finding and valuation of ore bodies, it gives accurate information on geology. It shows a great porphyry intrusion that is covering the major part of the property containing an important break, and several heavily mineralized zones of considerable width. The next step would be underground exploration by shaft and lateral workings.

ORE BODY PROVEN TO 400-FT. DEPTH

Marriott Engineer Will Now Try and Determine Its Extent

Management of Marriott Mines states that drill hole No. 13 has been completed at a depth of 448 ft. It passed through a mineralized zone about 15 ft. in width, corresponding to the ore body cut by hole number 12 at a depth of 220 ft. This zone consists of the same class of rock as encountered in the other drill holes. It commenced at 422 ft. and ended at 437 ft., the 7 ft. section between 430 ft. and 437 ft. looking particularly good as regards chalcopyrite (copper ore). Manager Stitt adds that this hole has given satisfactory results. Copper was found in several places but the main object was to pick up the ore body previously caught by hole number 12. Isolated patches of mineralization on the way down are encouraging. With the definite knowledge that this zone carries down to over 400 ft. he does not propose to do any deeper drilling at this time but is going to try to lineup the ore body along the strike. Hole number 14 is being drilled at the present time.

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ABANA SIZES UP AS AN IMPORTANT MINE IN MAKING

Operation Out of Prospect Stage, Says Engineer—It's Question of Size

"Abana is a proven mine," is the heading on a report which outlines the views of Douglas Mutch, M.E., on this property lying to the north of the Transcontinental Railway and just inside the Quebec boundary from Ontario. As there are several other important operations going on in the section and as there are claims being put forth that the area will rival that of Rouyn, Mr. Mutch's outline of the operation are important.

"The property will undoubtedly be an important producer," says Mutch. He points out that only small operations of the company's holdings have been explored while the S.E. and N.W. sections hold out promise for a continuation of the highly important ore bodies.

Mr. Mutch calls attention to the fact that what is known as the zinc body appears to follow a line north of the copper as it passes to the S.E. section of the property and if this proves out it will make the mining o. the two bodies quite simple and they can be handled separately. He says in concluding that Abana is a proven mine, having left the prospect stage and it is now only a question of how big the ore bodies will be.

Dealing with the work done to date, he says:

"Cross-cutting is under way from the S. E. drift on 300-ft. level. This drift was advanced 100 ft. from the shaft and was in ore all the way. The drift in general follows the hanging wall of the ore deposit. A hole was drilled from the drift into the foot wall side for a length of 7 ft. but failed to reach the foot wall. With this information a width of at least 13 ft. is certain and it is altogether likely that a width of at least 20 ft. will be obtained. Assays along the drifting so far completed show average value of approximately $38 per ton for this ore body. At the shaft a width of 14 ft. was shown, so that there is an apparent widening to the S. E. Cross-cutting now under way should tap three ore bodies in which copper predominates. Indications are that a zinc sulphide ore body will be cut first, after which there should be at least 20 ft. of high grade copper ore.

"As work continues to the S. W. the fracturing appears to be much stronger than was shown in the cross-cut at the shaft. This would correlate closely with the results obtained by the Radiore survey, which showed much greater conductivity, indicating greater ore bodies as it proceeded in this direction.

"It has been estimated that the work now going on at Abana is putting ore in sight at the rate of one and one-half million dollars per month. This figure is based upon indications and will not be proven until such time as the ore bodies have been more or less blocked out. Provided ore conditions remain for a depth of several hundred feet, the same as they appear now, then the above estimate will probably prove to be fairly correct. There is no question but that Abana ore can be said to be very uniform in grade and character, so that there is a strong possibility that the above figure is correct.

"Recent results have been so favorable that the directors are installing a 550 Deisel engine for mining purposes. It is proposed to duplicate this installation as soon as mining has advanced far enough to go ahead with the erection of a concentrator.

SUIT INVOLVES PACT REGARDS CONTROL ASBESTOS OUTPUT

Asbestos Corp. Wins Preliminary Canter Keasbey-Mathison Action

MONTREAL.—In its legal struggle with the Keasbey and Mattison Co., Asbestos Corp. of Canada has again been successful before the Court of Appeal. The court decided that the Canadian courts had full jurisdiction to deal with the fight between these two companies and also that the Asbestos Corp. had the right to claim a full accounting and damages against the Keasbey and Mattison Co.

Asbestos Corp. is claiming about $400,000 from the Keasbey and Mattison interests, who, it is alleged, have not lived up to an agreement made at the time when the present Asbestos Corp. came into being as a merger of practically all the asbestos producers in the province of Quebec.

The recent decision of the courts is merely in the nature of a preliminary canter to the decision of the main issue between the two organizations. At the time the merger was consummated, certain contracts were entered into with all the producers in the province with the idea of arranging the production of all the mining companies so that greater benefit might be obtained from the dominant position which Quebec occupies among the world's producers of asbestos. The Asbestos Corporation alleges that the Keasbey and Mattison Co., which operates one of the richest mines in the asbestos area has not fulfilled its contract with the corporation.

Find Feldspar Dyke on Montbray Holdings

Reports from Montbray, Quebec, on the work of Delmas Mines, states that geological work has been completed on eighteen of the claims and in doing this work a feldspar dike was discovered on about the centre of claim 14656. This dike is about eight feet wide and is well mineralized with finely disseminated chalcopyrite and pyrite. Samples were taken and are being sent for assay. The company owns 1,280 acres on the Quebec and Ontario border.

ANTIMONY GROUP IN N. B. IS NOW BEING DRILLED

New Process of Treatment Means Much for Future Operations

MONTREAL. — Work on Lake George antimony mines by a syndicate headed by General Charles M. Smart, of Montreal, has exposed a vein which has been traced for 300 feet. The syndicate is now diamond-drilling the property; sinking operations are being carried on, on two separate veins and the results obtained to date are understood to be satisfactory. Ore is being bagged for shipment and it is expected that until the reduction plant has been installed, large shipments of ore will be made to the United States, where there is a ready market.

The syndicate which has acquired these New Brunswick antimony mines plans ultimately to operate the properties through a company which will be a subsidiary of a large U.S. chemical corporation.

FREDERICTON, N.B. — Installation of an entirely new process for the recovery of all the ore in the rock, which will revolutionize the operation of antimony mines, is understood to have been definitely determined upon by the syndicate headed by Brigadier-General Charles M. Smart, C.M.G., of Montreal, who have recently taken over the antimony properties at Lake George, York County, and constitute the largest antimony deposits in the world outside of China.

The new process employs a flotation method for the recovery of the ore which has been tried out extensively in experimental tests and has given excellent results. In fact it is said that the new machinery which is to be installed will give a recovery of 97 per cent. of the stibnite which is contained in the ore. Previously there was a very large percentage of wastage and consequent losses; the installation of the new system will substantially enhance the financial return from the operation of the mines.

A new method of electrical reduction is to be employed in the production of the metal, which will mean that the old system of crushing and burning the ore that has hitherto been in use will not be resumed. Installation of a reduction plant will mean that antimony will be shipped direct from the scene of mining in metal form to the markets of the world.

Vulcan Well Again Flows 100 Bbls. Day

CALGARY.—Vulcan Oil well after being choked off for the last five weeks has blown in again and is now flowing over a hundred barrels daily. When the company completes the second well they will attempt to extract the tools lost in the number one well and then drill deeper hoping to improve the flow.

Spooner No. 1 is drilling at 4,700 feet and expects big production any time now. The well is already flowing about 500,000 cubic feet of wet gas per day.

Drilling will be resumed at the Okalta well during the next few days, 8¼-inch casing having been set at 4,100 feet.

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RICHNESS OF ORES OF ERRINGTON MINE AMAZE ENGINEERS

Area May Develop as One of Greatest Mineral Sections of World

SUDBURY, Ont.—Why rave about the lost wealth of the Aztecs and Incas or the well-advertised mines of King Solomon when there is probably the greatest mineral area in the world within a radius of twenty, thirty or forty miles of Sudbury? Why think of Africa as being pre-eminent in mining when along the nickel range and on the "inside of the cup" or great crater there appears to be wealth in base and precious metals that will make even the famous gold and diamond fields of the Rand and Kimberley not more than even-odds rivals?

There are stories about Sudbury to-day—and they are not just the floating rumors of a mining town—which make one hesitate to proclaim the magnitude of the ore bodies they describe. Certain it is, none the less, that Canada and particularly Ontario, can count themselves in possession of several of the greatest mining "plums" the world has even known.

One hears of what the Bunker Hill and Sullivan people actually think of its Errington mine in terms of a billion or more dollars. As work proceeds the extent of the ore body and the richness and variety of its mineral content staggers even mining men who have been accustomed to huge deposits. It is said that the Bradley people are certain that they have made the mineral find of the last hundred years on this continent, if not of all time. The tonnage mounts up with every drill core and every round of holes fired in the underground operations. When public announcement is made it is probable that estimates will be cut by fifty per cent., but Sudbury knows that the actual facts are that all estimates given out at the present time might well be multiplied by two or more. And the metals comprise lead, zinc, copper, gold—and how much platinum no one can tell.

Then, although operating companies are not showing their drilling logs to many people, and several companies have not yet located ore, there appears to be every evidence that the Errington "break," if such it may be called, is being picked up at several places, and that ore has been encountered that warrants other great operations. When one realizes that the inside of the Chelmsford crater is *thirty* miles wide by sixty miles long, and that the formations that carry the ore run in great circles clear around the basin, no wild stretch of the imagination is required to visualize this area as one that may bristle with shaft houses, smelters and mining towns within the next few years. On the other hand, because of the heavy overburden that covers much of the area it may require a long period before the trends of the ore have been found. Certainly the Errington work was aided by outcrops which many other nearby properties do not show. One of the many reports afloat at present is that another big base metal company is to be formed which would be a rival of the two great nickel companies. There are other nickel properties in the district, which find their ore associated with other minerals. While the nickel field involves a large and individual marketing problem, it is altogether possible that a new company may make a bid for a share of this trade. The interests connected with this report are the owners of a mine that is believed to have large deposits of the base metals.

At the Frood mine the most sensational results in the history of Ontario mining continue to be chalked up. Here, too, one hears of indicated tonnage running into billions. The copper and precious metal content is high and the ore bodies are so wide as to be difficult to define in footage. The Frood to-day in its deeper levels is one of the richest and largest mines in the world. This is being ascertained by drilling of many 2,000 foot holes. The new shaft work to 3,000 feet is now proceeding under the direction of Harry Kee, who put down McIntyre's new 4,000 foot shaft. This Frood shaft is to be cemented, an indication of its permanence.

A number of important deals are recently reported whereby several large properties are being taken up for exploration and diamond drilling. One of these properties has had some work done on it but another, which adjoins the main Bunker Hill property, has never had a drill in its surface; in fact, no deal has been made with its owners until very recently when an option was given to a well-known Toronto mining man, who in turn disposed of it to a large Canadian mining organization which will carry on extensive operations in the Sudbury field.

Operations involving millions of dollars in development and purchase prices are being scheduled. To-day there is scarcely a free piece of ground within miles of what is conceded to be the favorable formation within the crater.

W. J. L.

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Treadwell-Yukon Builds Pilot Mill at Sudbury

Treadwell-Yukon Co. expects to have its pelat mill on the Errington mine at Sudbury ready and in operation before March 1 and it is expected that a good part of next summer will be given over to actual tests of the ore.

The company expects that before the end of the present month the two shafts, 3,600 ft. apart, will be connected up on the 300 ft. level. The company has now an ample supply of electric power available.

MANITOBA CONCERN HAS LARGE HOLDINGS

Manitowan Exploration Holds One of the Teen Group of Claims

MONTREAL.—Work on the Manitowan Exploration Co.'s properties situated in the central Manitoba mining area, has been concluded for the season. During the summer two crews of men were in the field, one working on the company's Tene No. One property. These holdings are located in centre of a group owned by the Central Manitoba Mines. Four veins were uncovered here and considerable trenching and sampling done. A geologist devoted the summer to studying the surface conditions of the property and reviewing the work done previous to the present company's acquisition of the holdings.

On the Tene No. One property, the company reports having put in four trenches and obtaining surface assays of $10 over an average width of six feet. One of the four veins exposed is reported to have carried values of $12.40 over five and a half feet, and third vein is reported to carry values of $29.20 over a three and a half feet width.

A second crew of men were put on the Eva group of claims at Turtle Lake where development was confined to surface work, stripping and sampling.

No stock of Manitowan Exploration Co. has yet been offered to the public. An offering of shares of $250 a share and limited to 100 treasury shares, has been placed privately. Company owns 76 claims divided into 13 groups, which extend through the Central Manitoba mining area from near Lake Winnipeg to the Ontario boundary.

MINING STOCK QUOTATIONS
Week Ending November 15

	Par Val.	Div. Rate	Yield	High for wk.	Low for wk.	Close Nov. 15	Sales for wk.	Range 1926 High	Range 1926 Low	Range 1927 High	Range 1927 Low
Abana	1	....	....	3.35	2.78	2.78	10775	....	....	4.05	.20
Aconda	1	....	....	38	32	33	345350	....	....	45	14½
Afton	1	....	....	1.20	1.10	1.20	3600	....	....	1.20	1.00
Algonquin	1	....	....	5¼	2½	4½	509100	6¼	1½	5½	2
Allied M.		....	....	....	....	....	....	....	....	5.51	2.70
Amal. Copper		....	....	....	....	....	....	....	....	4.59	3.01
Amity C.		....	....	39	36¼	38½	173850	....	....	39	24½
Amos		....	....	....	....	....	....	....	....	56	15
Amulet	1	....	....	5.00	4.75	4.85	105330	2.98	.90	7.10	.85
Apex	1	....	....	5½	2½	5	91100	6	2¼	5½	1
Area	1	....	....	.44	.40	.40	49500	1.55	.21	1.95	.23
Argo. Con.	1	....	....	40¾	36½	40	182425	76	18½	59	25
Archean		....	....	....	....	....	....	....	....	18	17
Atlas	1	....	....	6½	4½	5½	313100	5	1¾	7	2
Bedford		....	....	33	30	31¼	235200	....	....	33	19
Baldwin	1	....	....	5½	2½	5	510650	6½	1	5½	1
Bard		....	....	....	....	....	....	....	....	1.59	.25
Barry Holl.	1	....	....	1.22	.90½	1.15	261920	1.00	.21	1.22	.25
Beaver	1	....	....	2.50	2.13	2.40	378715	.99	.51	2.50	.59½
Bellellen L.	1	....	....	5	4¼	5	4500	....	....	23½	3
Bidgood	1	....	....	1.25	1.05	1.20	440325	9¾	4½	1.25	.5
Boischatel	None	....	....	5	3	5	37750	....	....	27	3
Boston Creek	1	....	....	....	....	....	....	7½	2½	1	½
Bourlamaque	1	....	....	....	....	....	....	1.45	1.02	1.53	.50
Brit. Unit		....	....	....	....	....	....	....	....	88	96
Buckingham	1	....	....	8½	7	7¼	316700	7¼	2	9½	3
Bunker Hill	10	....	....	130	128	130	100	....	....	160	75¼
Can. Lorrain	1	....	....	20	15	20	23725	93	57	72	10
Capitol S.	1	....	....	22	20	21	26600	48½	24	34	14
Capitol R.		....	....	13¾	12½	12½	118300	43	26	54½	.10
Castle Tre.	1	....	....	.87	.80½	.85	39057	1.85	.91	1.27	.61
Cen. Manitoba	1	....	....	1.88	1.76	1.87	51300	....	....	2.10	1.07
Chaput H.	1	....	....	14½	10	12½	147550	22	3½	15	4¾
Clifton	1	....	....	1½	1	1½	2000	6½	1	3½	½
Coast Copper	5	....	....	15.00	15.00	15.00	75	....	....	22.00	9.75
Col. Kirk	1	....	....	16	7	10	1700000	6¼	2	16	1½
Comm. Mines	None	....	....	....	....	....	....	....	....	1.50	.71
Coniagas	5	....	....	4.50	4.25	4.25	1275	4.85	3.00	5.05	3.20
Coniaurum	5	....	....	5.15	5.10	5.15	2067	4.60	3.00	5.75	2.80
Cons. Smelter	25	10+5	6.00	250	245	250	376	265	177½	270	215
C. W. Dome	1	....	....	....	....	....	....	29½	14	19	4
Copper Hill	1	....	....	60	55	55	1500	....	....	68	49
Copper Sul.		....	....	....	....	....	....	....	....	1.00	1.00
Corona	1	....	....	17½	13½	16½	298700	37½	20	37	10
Crown Res.		....	....	74	48½	67	282859	....	....	74	39
C. American		....	....	....	....	....	....	....	....	1.30	1.26
Davidson	1	....	....	....	....	....	....	3	1½	3	1
Destor	1	....	....	....	....	....	....	41	40	43	25
Dome Mines	None	$1	9.15	11.60	10.85	10.93	10407	20.00	8.00	11.65	6.85
Dom. Lead		....	....	....	....	....	....	....	....	1.73	1.05
Dom. Kirk	1	....	....	10½	8	9½	112700	....	....	12	1½
Don. Rouyn	1	....	....	22	20	21½	22800	61	25	56½	17½
Dorion		....	....	....	....	....	....	....	....	4.00	1.02
Dubec		....	....	.44	.40	.40	6200	....	....	1.48	.35
Dunwell	1	....	....	....	....	....	....	....	....	1.51	1.50
Duprat	1	....	....	14	10½	13½	169275	....	....	21	10
Dupuy	1	....	....	60	58	59	1600	....	....	79½	9
East. Metal	1	....	....	....	....	....	....	....	....	18.25	10.00
East. Que.		....	....	....	....	....	....	....	....	2.75	2.00
Everett	1	....	....	5	2¼	4¼	60000	12¼	3¼	5½	1¼
Federal Kirk	1	....	....	61	55	60	74000	....	....	61	40
Fiske	1	....	....	12	10	10	13200	....	....	30½	5
Fisher, Que.	1	....	....	....	....	....	....	....	....	2.20	.50
Gifford	1	....	....	....	....	....	....	....	....	1¾	½
Gladstone	10	....	....	....	....	....	....	....	....	29	14
Goldale	1	....	....	46	40¼	44½	213350	43	24	46	20
Gold Hill	1	....	....	31½	29	30½	153167	73½	25	54	22
Gold Ore		....	....	1.10	1.00	1.00	300	....	....	2.45	.50
Gold Reef	1	....	....	....	....	....	....	5	1	2½	½
Granada Rouyn		....	....	27	17½	23	380850	....	....	27	14½
Grover Daley	1	....	....	17	15	17	74300	32	18	37	8
Harvie Exp.		....	....	1.25	1.00	1.10	11725	....	....	2.40	1.00
Haultain	1	....	....	....	....	....	....	....	....	15	14
Hillcrest c.	100	6	10.00	....	....	....	....	65	55	65	60
Hillcrest, pref	100	7	7.77	....	....	....	....	83	79½	90	81½
Hilltop	1	....	....	24½	21	22½	166400	31¼	20	25	6½
Hollinger	5	26	7.42	17.65	17.05	17.50	6333	21.00	16.75	22.65	16.40
Howey Gold	1	....	....	1.78	1.33	1.65	1179900	....	....	1.78	.42
Huron		....	....	....	....	....	....	....	....	1.09	1.02
Indian	1	....	....	4¼	4¼	4¼	500	14½	2¼	12	4
Int. Nickel	$25	$2	2.99	68	65	66¾	18007	46	32¼	75	38
Jackson M.	1	....	....	85	77	84	447525	....	....	85	36
Jay Copper		....	....	....	....	....	....	1.10	.73	1.26	.30
Kamisko		....	....	....	....	....	....	....	....	10.75	7.26
Kamiskotia R.		....	....	....	....	....	....	....	....	10.80	10.20
Keeley	1	16	19.65	.87	.80	.81	17425	1.91	1.39	1.66	.70
Keora M	1	....	....	8½	3	7	70950	22	11	13½	2
Kirk. G.B	1	....	....	....	....	....	....	....	....	1.29	.75
Kirk. Hunt	1	....	....	33	26	30	573575	34	8½	35	10
Kirk. Lake	1	....	....	3.06	2.72	2.87	548375	1.44	.69	3.06	.82
Koot. Florence	20c.	....	....	24	22	22	64500	....	....	27	22
Lebel Oro	1	....	....	48	45	48	35800	....	....	50	30
La Rose	1	....	....	5½	5	5	6000	39	4	12	3
Lake Shore	1	40+10	1.85	27.00	25.25	27.00	8785	16.50	9.50	28.20	15.40
Lakeside L.	1	....	....	¾	½	¾	126500	10	1½	6	½
Laurier	None	....	....	....	....	....	....	....	....	65	51
Laval	1	....	....	39	30½	35	248350	45¼	21	59	19½
Lorrain C.	1	....	....	1	1	1	1000	15	2	3¼	1
Lorrain T.L.	1	....	....	....	....	....	....	1.10	.30	.86	.25
Lucky Jim	10c.	....	....	....	....	....	....	....	....	21	20
Macassa	1	....	....	53	45	51	106700	43	22	69	18
Malartic		....	....	50	42	45	259530	....	....	52	23½
Marclay	1	....	....	....	....	....	....	35	20	42	34½
Marriott	1	....	....	41	38	40½	22100	....	....	45	35
McDougall	1	....	....	62	44½	51	59600	....	....	90	24
McKinley	1	....	....	18	17	18	8700	26	8½	25½	11
McIntyre	5	20	3.60	28.25	27.75	28.00	4270	29.75	22.70	29.00	24.00
Mentor	10	....	....	14.00	13.25	14.00	400	....	....	14.00	12.00
Millcrest	1	....	....	14	6½	9	495300	21½	3½	14	2
Mining Corp.	5	25c Int	....	4.45	3.75	4.33	76542	4.45	2.60	5.05	2.90
Moneta	1	....	....	....	....	....	....	18	11	15½	8¼
Montreal R.	1	....	....	15	10	14½	3250	60	13	33	10
M'tchatel	1	....	....	....	....	....	....	....	....	43	19
N.A. Dev.		....	....	....	....	....	....	....	....	2.10	.30
N.A. Lead	1	....	....	....	....	....	....	1.75	1.50	2.75	1.00
Newbec	1	....	....	.85	.70	.85	103000	....	....	1.20	.67
Newray	1	....	....	....	....	....	....	45	31	50	28
Night Hawk	1	....	....	6	4½	5	16500	17	3¼	10½	4
Nipissing	5	6	4.47	7.20	6.60	6.70	5185	9.25	4.95	10.30	5.25
Noranda	None	....	....	25.75	25.00	25.10	25772	24.75	12.00	28.50	19.95
Ophir	1	....	....	2½	2½	2½	4500	4¼	½	4½	¼
Ontario L.C.		....	....	....	....	....	....	....	....	1.30	1.03
Osisko		....	....	.42	.40	.40	9230	1.94	1.05	1.75	.35
Pawnee Kirk	1	....	....	60	56	56	8700	....	....	72	56
P. L. Cobalt	1	....	....	5	4	4¼	31000	32	14½	18	2
Porc. Crown	1	....	....	9	5½	8	65900	12	4	11	3
Pioneer	1	....	....	.63½	.55	.60½	71710	1.22	.66	1.18	.53
Potter Doal	None	....	....	30	15	27½	1,278,380	....	....	65	10½
Power & Mines	None	....	....	....	....	....	....	....	....	1.70	.75
Prec. Metal	1	....	....	....	....	....	....	....	....	22.00	20.00
Premier Gold	1	32	13.06	2.45	2.29	2.45	11725	2.75	1.83	2.50	1.86
Preston	1	....	....	5½	4¼	5¼	16500	9¾	4	7	3
Realty & Mines		....	....	38	24	24	25750	....	....	38	29
Ribago	1	....	....	38	32	32	247800	....	....	87	13
Rouyn	1	....	....	3¾	3½	3¾	10500	9	1¾	5	1
Rouyn C.	1	....	....	....	....	....	....	....	....	4.28	1.15
Rouyn K.		....	....	....	....	....	....	....	....	1.10	.73
Rouyn, Que.	1	....	....	3½	3½	3½	1000	4½	1¼	4¼	1
Rubec	1	....	....	1.15	.98	1.08	39805	....	....	3.65	.98
Rouyn Gold		....	....	3¾	3	3¾	1500	....	....	4	3
San Antonio		....	....	46	40	42	186248	....	....	46	30
Silver Leaf		....	....	....	....	....	....	....	....	1½	1
Siscoe	1	....	....	29	28	28	5500	....	....	60	12
South Keora	1	....	....	....	....	....	....	35½	5	64½	4½
Stadacona	None	....	....	21	17½	19	146900	51	40	55	13
St. Anthony	1	....	....	48	45½	45½	9100	....	....	50	16
Sud. Basin	1	....	....	6.00	5.25	6.00	1100	....	....	6.00	4.00
Sylvanite	1	....	....	4.25	4.00	4.05	11255	....	....	4.80	2.60
St. Law. Zinc		....	....	....	....	....	....	....	....	82	72
Simard Un.		....	....	....	....	....	....	....	....	1.18	.90
Timiskaming	1	....	....	....	....	....	....	15¼	6	10	4
Teck Hughes	1	10c	.91	10.85	10.55	10.83	74787	5.55	2.64	11.35	5.37
Thomp. Krist.	1	....	....	....	....	....	....	3½	1	2	½
Tough Oakes	1	....	....	68	47	66	656875	66	36	70	25
Towagmac	1	....	....	4.16	2.80	4.16	9263	6.10	3.15	5.75	2.80
Treadwell Y.	1	....	....	20.00	19.00	19.00	1865	....	....	26.75	18.50
United Cop.		....	....	....	....	....	....	....	....	5.32	3.00
Vic. Silver	1	....	....	....	....	....	....	96	3½	14	1½
Vickers	1	....	....	.67	.60	.60	3700	1.22	.13	1.52	.25
Vipond	1	....	....	.82½	.63	.82	193412	2.02	1.49	1.75	.47
Wakenda	1	....	....	15	4½	15	386950	3¼	1	15	1
Wasapika	1	....	....	....	....	....	....	4	1	2	1
West D. Lake	1	....	....	16	16	16	89400	....	....	20	8
West Tree	1	....	....	....	....	....	....	....	....	4½	1
Wettlaufer	1	....	....	4	4	4	1000	10	2	4¾	1½
Wiltsey C.	1	....	....	74	63	73	85800	....	....	74	50
Wright Har.	None	20c	2.68	7.50	6.95	7.45	92075	....	....	8.85	5.50
Ajax Oil	1	....	....	70	49	69	74250	....	....	70	6½
Petrol Oil		....	....	20	15	19½	22960	....	....	20	7
Trojan Oil		....	....	....	....	....	....	....	....	8.60	4.00
Vac. Gas	1	....	....	16¾	11	16¾	67200	....	....	26	3

POOR RECOVERY FORCES TORIC CO. TO STOP MILLING

B. C. Operation Ran Eight Days—Heavy Silver Loss in Slimes

VANCOUVER.—Hoping to avoid the initial expense and the subsequent royalties to the Minerals Separation Co. resulting from the installation and operation of an oil flotation unit in its new mill, Toric Mines Ltd., operating a silver mine at Alice Arm near the old Dolly Varden mine, has been disappointed and must close down its plant for the winter on account of low recovery of values.

The deferred hope of early dividends on the company's unusually small capital stock issued has had a bearish effect on the market and Toric has dropped from around $5 to about $2.50 on the Vancouver Stock Exchange.

The mine is 17 miles from tidewater and the narrow gauge railway providing transportation is under three feet of snow. It will be snowbound until next May.

During an eight days run under the superintendence of E. W. Schroeder, formerly with Tough Oakes Burnside, Teck Hughes and mills of the Cobalt area, the Hardinge mills and Wilfley tables alone were found to be inadequate, a heavy amount of slimes in the ore fed to the tables losing about 47 per cent. of the values.

In spite of that heavy loss in the tailings the tables shook off three tons of high grade concentrates in the eight days of operation valued at about $6,000. Examination of the concentrate shows it permeated with small flakes of native silver.

The flotation unit will be installed at the end of the present flow sheet and a sizer will be inserted between the mills and the concentrating tables. Additions will cost about $3,000.

A crew of three men will drift on the ore throughout the winter.

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The Wilfley Table as now manufactured is the result of years of practical work in the concentration of ores.

Its capacity is large, the means of adjustment very simple, and the concentrates (being separated into streaks of the component minerals by the action of the Table) form a guide by means of which even the inexperienced mill man can make any necessary adjustments.

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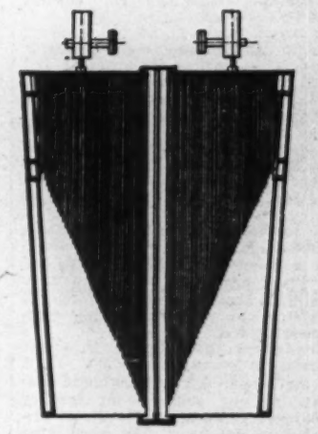
Bulletin No. 64 which fully describes Wilfley Tables will be sent you upon request, without obligation.



An arrangement of right and left hand tables with common tailings launder. Where floor space is limited, Wilfley's can be set close together and yet be accessible at all points.

Everyone knows the Wilfley as the standard concentrator, but the story is never complete, as improvements are made from time to time which result in still higher capacity and an enlarging field. Be sure you have latest catalog.

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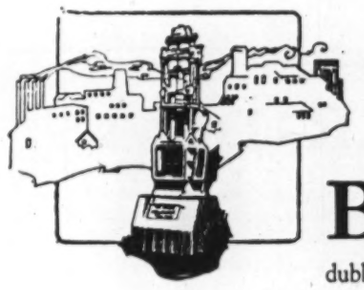

Big Oaks and Little Acorns

BUT a few years ago the pygmy mill, shown above, constituted Hollinger's sole production unit.

Today, this diminutive piece of machinery, affectionately dubbed "coffee mill," occupies an honored place in the foreground of one of the largest gold producing "factories" in the world.

What an impressive contrast—David and Goliath.

From an output of a few thousand dollars ground out by the tiny, ten-ton mill, Hollinger has grown to be a producer of many millions each year, the daily tonnage now being measured in mounting thousands

In the transition, the investments of those, who visioned the growth of the "big oak" from so humble an "acorn," grew proportionately, becoming unbelievably profitable.

Hollinger's record of development is symbolical of what is taking place throughout the mining regions today.

Everywhere one sees "little acorns" sprouting, developing through progressive stages and giving rich promise of becoming in due time, strong, deep-rooted "oaks" like Hollinger.

Let him, then, to whom the present "oaks" spell only neglected opportunities, take heed. For the prospect of today may be the mine of tomorrow.

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LOW BASE METAL PRICES CUT INTO COAST'S OUTPUT

Some B.C. Operations Closing and Year's Output Has Fallen Off

VANCOUVER.—Weak metal prices have resulted in British Columbia's mineral production falling below 1926 in value. Expansion of mining operations has been halted and some small operators have suspended to await better prices.

Several important silver, lead and zinc mines have been closed down, throwing several hundred men out of work. It is possible that some of the big smelter projects that have been under way in British Columbia will be held in abeyance pending a return of better conditions. Ladysmith smelter, now being put in order by H. B. Thomson and Herbert Carmichael, associated with the British Empire Metals Corp., is nearing completion.

E. A. Haggen, mining engineer, writing in Vancouver province, deals at some length with the situation due to weak metal prices. He says:

Some idea is now obtainable as to the probable value of the mineral production of British Columbia for the current year. It is evident that it will be between $5,000,000 and $6,000,000 less than last year. In other words, it will be about the same as for 1925. This is rather a surprise in view of the fact that the big producers, Consolidated Mining & Smelting, Britannia, and Granby, have all been increasing the capacity of their plants; but is mainly due to the low prices ruling throughout the year for the metals. The price of silver is about 7 cents an ounce below the average for 1926, representing a loss in this metal alone of between $700,000 and $800,000. Copper is a cent a pound less than for 1926, and will show a loss in value of nearly $1,000,000. Based on the London market, on which Trail smelter settles with shippers, lead averages a cent a pound less, and represents a loss of about $1,500,000. A similar drop in the price of zinc represents a further loss on the year's output of about $650,000.

Then, while there is an increase in the quantity of lead and copper, there is a decided falling off in both placer and lode gold. Silver production is about the same as last year, but may be a little less. Copper shows an increase of about 10,000,000 pounds, and lead of about 7,000,000 pounds. Zinc shows a drop of about 12,000,000 pounds. There is an appreciable increase in coal, industrial and construction materials and building stone.

Owing to the low price for the metals, Consolidated Mining & Smelting Company is now operating to capacity, and several large producers in Slocan have been holding back shipments of ore as reserves for the new mills they have under construction.

Dividends from the mines for this year will amount to around $9,000,000. While this is the second highest dividend distribution for any year in the history of the mineral industry, it is about $1,000,000 below last year. The only mine to resume dividends during the year is Granby, which paid 1 per cent. for June quarter and gave a resumption of regular quarterly dividends. In this shareholders are disappointed, as the company has announced that no further dividends will be paid till the balance of the outstanding bond issues are retired, when the surplus profits will be distributed among shareholders.

NEW COMPANY FOR ONTARIO-W. LAKE

Diamond Drills Reveal Good Mineralization—Will Take in Plant

Ontario Woman Lake has met with such good results in two of its five diamond drill holes, Nos. 3 and 5, that it has been decided to organize a new company and when this is complete to push ahead the development of the property. The best results were obtained in hole five which showed 10 to 17 feet of excellent material.

The new company will be capitalized at $4,000,000 and the original shareholders in the small prospecting company will get ten shares of new for each old of $10 par value. This will leave a substantial amount above 50 per cent. of the capital of the new company in the treasury for development finances.

Negotiations are now on for a complete new mining plant and it is understood that this will be taken into the property this winter.

DRILLING STARTED BY MURPHY MINES

Company Has Taken Over Sensational Murphy-Pollick Group in Kirkland

Murphy Gold Mines this week started diamond drilling the Murphy-Pollick group of claims in Gauthier Tp., Kirkland Lake, and which adjoins the Elstone-Duncan on the east. A year or so ago quite a sensational discovery was made on these claims, revealing quite a generous distribution of tellurides in the ore in the various test pits. The company has plans for 3,000-ft. of drilling at least, and is seeking information on both structure and geology. Robert Brown is in charge of the work. A shaft has already been surveyed and it is the intention to start sinking with a small plant and to later instal a large one. This has already been ordered.

Vein on Potter-Doal Erratic in the Shaft

Paul Doal has been placed in charge of the operations of Potter Doal in Munro Tp., and shaft sinking is under way. The vein is proving quite erratic, pinching in to almost nothing at times and then widening out to the full width of the shaft, 8 feet. This width has been encountered twice already. The vein is well mineralized.

Amity Copper Cut Wide Quartz Body on 250

Amity Copper expects to cut the large high grade copper vein which was indicated by diamond drilling with a crosscut on the 250-ft. level, some time next week. Meanwhile, the crosscut has revealed a large parallel quartz vein that was unknown before. It was in 30-ft. from the shaft and the last report from the property was that six feet of quartz had been cut and it was still showing in the face. Assays are not as yet available.

WINDFALL CO. WILL DRILL IN WINTER

Radiore Survey Has Given Promising Indications in Two Zones

MONTREAL. — Radiore Corporation, which has been making a survey of Windfall Rouyn properties at Clericy, Quebec, reports indications of two entirely separate zones of intensive mineralization, each of which, in the opinion of Edward H. Guildford, chief engineer of the Radiore Corporation, warrants development on a broad scale. Five chains have been covered in the preliminary survey. The Radiore survey will be continued for another month.

Work on the Windfall Rouyn property began last August, and a force varying from 21 to 41 men have been employed in surface work. Considerable trenching, hand-drilling and stripping has been done, and Radiore lines have been cut. Two test pits are being sunk with a portable gas compressor. A contract for diamond drilling has been awarded, but owing to the weather conditions, it will be at least a month before the freeze-up enables the drills to be brought in over the ice. A test pit at the original strike is being sunk, and F. M. Passow, engineer in charge, reports results obtained as distinctly encouraging, and that a steady increase in enrichment is being recorded as the work progresses.

Application has been made for the listing of the Windfall Rouyn stock on the Standard Mining Exchange of Toronto.

Windfall Rouyn have erected a model camp on their property, and have gone to considerable pains to make living conditions as attractive as possible for their staff. In this respect the camp is one of the most outstanding in the field.

Copper Hill Co. Cuts Large Body at 55 ft.

MONTREAL.—Copper Hill in Clericy Twp., Quebec, is making considerable progress. It is reported that the cross-cut commenced on the 55-ft. level is making good headway and still penetrating a good mineralization zone. The shaft itself has been sunk to a depth of 75 feet and is to be continued to the 100-ft. level when another cross-cut will be made in the hope of striking the downward extension of the mineralization already encountered at the 55-ft. level.

Shares of Copper Hill Mines have been listed on the Standard Stock and Mining Exchange, Toronto.

In addition to the large showing of massive chalcopyrite uncovered some time ago in surface work west of the shaft, good chalcopyrite has been found throughout trench No. 8 and along a length of 20 feet in trench No. 7 near the junction with trench No. 9, and disseminated chalcopyrite found across a width of four feet, near the north end of trench No. 9, with some stringers of massive chalcopyrite closely adjoining.

The Radiore Survey, commenced early last month, has been completed, with a total of twenty-four conductors indicated, in the central portion of the property. It is probable that a further survey will be made later, on the outlying claims, which have not yet been covered.

ANOTHER NEW MINE CAMP SPRINGS UP IN QUEBEC AREA

Clericy to East of Rouyn Now Boasts of Population of 500

MONTREAL. — The rapid growth of the little village of Clericy in the heart of the Northern Quebec mining district, is attracting attention. Last August the village consisted of three houses, a store, and a post office. The locating of some ten or more mining companies in and around Clericy has started a rapid growth and a building boom has developed. Mining offices, stores and houses are going up, and so great has been the demand that contractors are complaining of being unable to secure sufficient building material to meet the demand.

The new settlement is situated on the Kinojevis river on the property of the Frontenac Copper Mines Co. The company recently secured permission from the Quebec government to lay out a townsite covering some 154 acres, and subdivided into 600 lots. The lots are being sold by the company to the other mining companies located in the vicinity and to merchants and others coming into the new settlement.

Clericy to-day boasts a three-story hotel, and a number of buildings of a permanent type have been erected including a large club house by an association composed of the mining companies in the district. This is divided into a lobby, locker rooms, wash rooms, and a large reading room which may also be utilized for the holding of meetings. It is proposed to instal show cases here where exhibits of the ores of the different mines may be put on view. United Clericy Copper have put up a two-storied administration building.

May Rival Rouyn

The rapid growth of Clericy would indicate that a settlement which in course of time may rival Rouyn, is in the making. In fact, one of the biggest building contractors in Rouyn has removed his headquarters to Clericy. In speaking of the growth of the village it is, of course, to be remembered that a comparison is made with the village's original state rather than that of the large towns in the more settled districts of Canada. Thus Clericy's population has grown from a handful in August to a population of nearly 500. There were no children there then, to-day there are 22 children of school age and plans have been made for the establishment of a school and church.

Mining companies located in and around Clericy include Copper Hill Mine, Windfall Rouyn, Frontenac Copper Mine, Harvie Mining and Exploration Co., United Clericy Copper Mine, Clericy Consolidated Mining, Lucky Twins Copper Mine, Arrowhead Clericy Mine, Island Finance Co., Laurier Mine, and others.

The sale of the lots in the Clericy township will prove an asset to Frontenac Copper Mines as funds obtained are to be devoted to development work on the company's property.

The location of a big strike on the Frontenac property on the opposite side of the river from the new town, has recently been reported. The promoters of the company, accompanied by their engineers, are now investigating its possibilities.

Grozelle to Finance for Sinking of Shaft

Financial arrangements are pending on Grozelle Kirkland and it is expected that funds will soon be available to carry the shaft down to 500-ft. It is now down 25. The head office of the company has been moved from Haileybury to Toronto.

Moffatt-Hall Group Will Resume Operation

Moffatt-Hall, adjoining Bidgood Mines on the east, will resume operations in the near future, starting with a diamond drilling campaign. It is understood that there will be $100,000 in the treasury, to launch the development program, and that further funds are assured as they will be needed. There is a limited amount of the stock issued.

ORGANIZE STRONG CO. ON NEW FIND

Brett-Trethewey Mines Now Financed to Develop Two Groups of Claims

Brett-Trethewey Mines has been organized to develop what is perhaps the most attractive new gold discovery of the year. It is located in Barnett Tp. and in one of a series of breaks that was opened up on surface, it gave rather sensational gold values.

The geology of the area, which is about 15 miles from Kirkland Lake proper, is ideal for gold mining, being a series of lava flows with syenite and porphyry intrusions. There is a series of breaks, indicated by the limited amount of surface work done and values have been secured in several of these. The breaks are believed extensive in length but there is considerable overburden. The company plans to keep ten men and a portable compressor going this winter on surface work.

In addition to this property, which consists of 24 claims, the company has also taken in 16 claims in Ben Nevis and Clifford Townships. These are copper gold and there is a gang at work on them. They may be ready for diamond drilling before the spring.

A strong board has taken hold of the operation and the preliminary financing, which has provided sufficient funds to take care of about two years exploration, has been done privately.

J. B. Terrill, managing director of Kirkland Lake Gold has taken the presidency of the new company and will also be managing director. Associated on the board will be E. T. Corkill who will also act as consulting engineer. Other directors are F. L. Trethewey, Gideon Grant, K.C.; S. W. Blank, J. E. Brett and R. G. O. Thompson.

ARGONAUT SEEK VEIN

Argonaut Cons. Mines is driving to pick up the large ore body opened on the 10th level on the 850-ft. level. Known as 1037, this ore shoot is the largest on the property. Deep diamond drilling is proposed.

EXPECTING XMAS BOX WHEN REPORT OF TECK IS OUT

Big Developments Under Way—Stock Split is Talked of

Teck Hughes annual report will be out on Wednesday next. It has been delayed. There is much conjecture going the rounds and some substantial holders of the shares are frank in their statement that they will be disappointed if a surprise Christmas box is not revealed for shareholders.

There is much talk of a stock split. The best opinion, however is that there will be a material increase in the dividend. The operation looms large and brokers are talking much higher prices for the shares. The company in December will add another 300 tons production to its high grade mill. This will give a tonnage of 850 in all, 600 high grade and 250 from the other mill.

Development in the mine continues sensational. Large bodies of very high grade ore are being opened out at the deep levels and considerable of this ore is going through the mill. It would seem, however, that perhaps a year from now, that the big news should be coming for shareholders, as by then the high grade mill will likely be up to 900 or 1,200 tons and then the real earning power for the shareholders will be definitely known.

CLOSE DUNWELL MILL

It is announced that the mill on Dunwell mines, Portland Canal area, B.C., has been closed down.

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POTTER-DOAL

Last Spring a prominent geologist visited the Potter-Doal property and advised the sinking of the shaft on the ore following the lamphrodite dyke. He believed that the ore would follow the dyke and that in places they would find the dyke folded, and in such folds they would get areas of enrichment. The management followed this advice with the result that to date the shaft is down over 60 feet all in ore. At 50 feet the shaft came into a fold in the lamphrodite dyke and found the ore wider and richer from 50 to 60 feet. The shaft at this depth is full of rich high-grade ore running about $65 per ton.

The same geologist took samples of the Potter-Doal formations and has just received his analysis, and reports that the formation is of the spotted dog variety, the same formation that exists on Noranda. Our own field man reports that the outlook for Potter-Doal has improved and he now considers that this property has a good chance of producing a large tonnage of high-grade ore, with the possibilities that greater folds in the lamphrodite dyke will be met with at depth.

Acting on the above information we are advising our clients to watch the Potter-Doal market, as the property has possibilities and the stock from now on should be a good speculation.

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Conditions in Dominion More Volatile To-day Declares C. L. Burton

Says Even Before Great War Foundation for Fundamental Changes in Industrial Production Were Laid in Hydro-Electric Power Development

By C. L. BURTON, General Manager, Robert Simpson Co., Ltd.
An Address before the Canadian National Newspapers and Periodicals Association

Business conditions are more fluid and volatile to-day than at any period in our lifetime.

One heard a great deal of normality after the war. One scarcely hears such a term to-day and no one apparently any more expects such a condition to appear. It was regarded as the natural sequence of the various stages through which we should pass after the war that we should sooner or later have normal conditions.

Electric Power Age

Even before the war the foundation for fundamental changes in industrial production were laid in the hydro electrical power development which has characterized this century.

All such development was speeded up a thousand fold by the imperious demands of war.

The result has been revolutionary to all business. It is not a part of my duty to-day to deal with many of the industrial and financial problems arising from the wildly inflated war condition.

That some, even if milder, form of revolution was due must be admitted.

The late Steinmetz, wizard of the electrical world, before his death was able to review many extraordinary results in commodity production due to the entire transformation in quantity and standardization of operation due to improved electrical processes.

F. W. Shibley, in an address on the Banker and the Budget, said, "Have you appraised properly the marvelous development which has taken place within the last quarter of a century in machinery and the means for producing electric power?

"Have you seen a bank of twenty-four broad automatic looms grinding out sheetings and tended by but one weaver and a helper?

Iron Men

Have you seen a continuous automatic machine housed in one building produce 2,000 finished automobile frames in one day from sheet steel, its actual workers being iron men, its human attendants being a limited number of skilled mechanics observing its operations?

Have you seen an automatic gear-cutting machine receive a blank gear from the hands of a common workman, perform twelve distinct functions, deliver the finished gear to its man and simultaneously record on a chart the time of its functions and in addition spit oil at the man if he fails to deliver the blank or receive the finished product at the proper moment?

Have you seen 900 beautifullly finished and elegantly equipped automobiles of an average price of $1,700 roll out of one plant in a single day?

"Have you witnessed five paper making machines produce newsprint at the rate of 250 tons in twenty-four hours?

"Have you seen 50,000 K.W. of electric power produced per day in a moderately sized building from powdered coal with only a few men walking leisurely about?

"If you have seen such miracles performed you must have sensed the significance of quantity production and wondered what was to be the economic and social result of this rapid evolution of machinery and power production.

"Have you not been impressed by the thought that quantity production would fill up one of these days the world reservoir of consumer capacity to purchase, unless there were found a way to so control production that it would balance constantly with consumer demand?"

Strides in Production

Mr. Steinmetz, before his death, pointed out that while up to, say 1918, there had been great strides in production, there had been no corresponding revolution in the distribution of commodities.

Even after the advent of our great general department stores and mail order systems, there continued our old hit and miss small store, now so sadly hit by the big fellows and by the chain store systems.

Hit and Miss Stores

May we examine the raison d'etre for the existence of many retail stores?

Is it not the fact that most of our smaller retail stores are a result, not of demand by the public nor because of economic necessity, but rather because of real estate speculation in new areas which seemed to bring an opportunity to the speculative store builder, and what is the result? Row upon row of empty shops—a standing invitation for some one to enter upon the hazardous life of retailer.

All very well if the storekeeper knows his line, and is serving the public after a reasonable period of training and experience.

Embarking Storekeeper

All very well if the embarking storekeeper has sufficient capital to swing his project while his public is becoming acquainted with and gaining confidence in his establishment and testing his service.

But how many can answer these tests?

Statistics, if available, would doubtless show many casualties in this field—most of them due to:

1. Lack of capital.
2. Lack of experience.
3. Lack of opportunity.

The exciting retail days of war and immediate post war days have passed into history and with them have disappeared all such artificial conditions as brought success to all and sundry without regard to the qualifications of those engaged in trade.

Business Has Wings

Early in the year a very illuminating article in the Atlantic Monthly, told of the quick and radical changes which business had to take into account to-day.

Quotations from "Business Has Wings:"

"The present indifference to money, to the cost of things, fewer appeals to thrift, greater emphasis on gratification, the logical result of abundant money, shorter hours, the five-day week, higher wages, and the utter disappearance of the old-time price levels for staples, have changed the entire selling appeal of many products."

"Chemists fooling around with the vast stock of nitrocellulose left over after the war, and seeking to find a peaceful use for it, discovered a new sort of finish, that is not paint or varnish or stain or enamel, but shows symptoms, at least, of one day displacing all of them."

"As it develops, a crisis may confront linseed oil plants, flax growers, zinc and lead mines, varnish makers, importers of kauri gums, turpentine distillers, and a legion of industries whose products are the raw materials of the paint and varnish makers."

"Business is to-day the profession. It offers something of the glory that in the past was given to the crusader, the soldier, the courtier, the explorer, and sometimes the martyr—the test of wits, of brain, of quick thinking, the spirit of adventure, and especially the glory of personal achievement."

Turnover and Net Results

The common practice is that this year's turnover and net results form the criterion for future operation—for next year's activities.

Such a hypothetis was quite all right before the war, because everyone did the same thing, and ups and downs were moderate enough to enable the astute merchant to follow the changes and adjust himself to the various situations.

Even during the war, and during the after inflation "comparison with last year" was quite safe because increase in volume of sales and increase in gross exceeded the increase in expense—result—always more net.

Enter Budgeting

The precipitous fall in values affecting inventories and commitments, and involving loss in some cases running into millions, the loss of purchasing power due to sharp adjustments in employment, in wages and in profits, wiped out all bases for calculation, hence the modern business budget.

Some were slow to adopt this new idea, some were too late—so much the worse for them.

Those who did budget and based their estimates, not on last year, but upon the prospects of the business as judged by existing conditions of commodity markets, purchasing power, employment, etc., were those who weathered the storm with the least amount of jettisoned cargo.

Mr. Shibley said also, "A budget may be termed the composite brain of a business on paper, and the operation of a business under the control of the budget, the functioning of this brain."

"Control, is the magic word of the future. Control of production is the safeguard of the economic situation.

"The control of production does not limit or restrict consumer capacity to purchase. On the contrary, it increases and extends such capacity through the discovery of new markets revealed by sales analysis, and through an elimination of waste caused by the senseless sacrifice of excess stocks of merchandise."

Budgeting is, however, a study in itself, and I must leave it, but its effect upon "Changing Merchandising" cannot be over-estimated.

Style Changes

The unsettled mind growing out of war, the extravagance of the individual accustomed to spending "war wages," the high powered advertising programmes and latterly a continued high average earning or spending power have combined to make the programme of merchandising but a passing show.

As a recent writer who makes a study in the waste of the consumer's dollar quotes—8 cents worth of cereal selling for 68 cents in its advertised package.

The Atlantic Monthly also writes:

"Makers of hairpins, combs, hair nets, corsets, knit underwear, cotton stockings, hose supporters, lingerie and petticoats have come down to work in the morning only to find that the business they have built up by years of hard work has vanished into thin air overnight."

"A hotel bathroom can be completely refinished in an afternoon and used for its legitimate purpose next morning; a floor done one day may be walked on the next."

"Bread making, another staple home industry, for generations the standard test of the ability of the housewife, has suddenly shifted to the chain bakers."

"Some industries seem basic. One would imagine the ice business belonged in that class, but meanwhile engineers have been experimenting with artifical refrigeration for domestic use, many homes are equipped with electric refrigerators. A quarter of a million electric refrigerators have been installed in homes in the last four years."

The iceman calls no more—
Don't wash, send it to the laundry—
6100 engines—no change Toronto to Montreal—100 cars to a train—
Everyone with a car and now more two car and three car garages—
Everything a woman wears in a four ounce package—
Your sermon over the radio—
Your mail by air route—
Color and design breaking down sales resistance.

Meeting the Changes

It is a foolhardy person who may attempt to prescribe the means to be adopted to meet the changing business conditions.

It was about a year ago that the world's largest motor manufacturer made a statement containing these words:

"Learning, laboring and waiting are the ingredients of achievement. It is strange how reluctant men are to learn in connection with work."

This same manufacturer, presumably because he could not profit by his own high thought was obliged to shut down productions for months, as apparently, to use his own words, he found it difficult to learn in connection with his work with the result that his product suddenly ceased to be the thing the public required.

Some one with a better sense of design and color than he, had the courage to depart from mere price appeal transformed, almost overnight the public's idea of what a motor car should be, whether it be low priced or high priced.

Spirit of Adventure

The very word suggests enterprise—a pursuit, which risking all, determines to meet any emergency or hazard, which presents itself in the day's work.

Emergency conditions can only be turned into good account by resourcefulness in the individual.

Adventurous or imaginative work does not necessarily presuppose wild or thoughtless plunging.

Care and thoroughness surely have always been the accompaniment of good enterprise.

Edward Bok

Edward Bok in his book "Dollars Only"—

"The American's lack of thoroughness is not because he does not want to be thorough, but because thoroughness is not taught him as a child. On the contrary, the gospel of quantity and not of quality is brought home to him the moment he reaches a point of understanding. He must learn so many words; he must do so many examples; he must be able to read so many lines. It is always quantity; quantity from the start. He may learn these words and sums and lines as a parrot learns, so long as he learns them, and the boy who learns the largest number in the shortest given space of time is considered, and told that he is the bright boy."

Need for Standards

One reason for the solid growth of some of our big establishments is the maintenance of good standards and the recognition by the public of such a safeguard to their shopping.

There is still reward for moral dependability as reflected in goods and service.

There is still reward for the man ready to serve, who is able to serve by reason of experience and willingness to work.

Emerson said, "A successful institution is simply the lengthened shadow of a single man."

Businesses which experiment upon the public, instead of serving from experience, are responsible for high expense ratios and narrowing margins.

Cheap Money

The plethora of cheap money may help business, but may be its worst enemy if it tempts to expansion beyond the demand reasonably to be expected or the spending power which is likely to be maintained.

Neither will the combination or merger benefit the public unless it has in it more than the exploiters' desire to cash in while the going's good.

Education for Business

In conversation a day or so ago with a school principal of years of experience, he pointed out that it was generally believed by experienced public school teachers that, as early as the seventh year, children give definite indication as to whether or not their most useful training will be along lines manual or academic.

The appeal for a liberal education against what may be termed animal training in schools is a very timely appeal.

It is doubtful if any schooling is of value which does not interest the pupil, indeed some authorities go so far as to blame our youthful crime waves upon the failure of our primary schools to hold the child's interest during the early school experience.

The late Sanderson J. Oundle said: "Education must prevent the terrible waste of life and talent which at present takes place. By a truer, sounder education the output of man could be multiplied enormously."

Industrial Life

"The natural instinct of the worker is to grow, to progress and to create; it is this instinct which causes him to rebel against the dullness of monotonous work. Shorter hours and higher wages provide no real cure to the discontent of the worker; nothing but a sense of service will do that.

We must have a full belief in the beauty of industrial life. We must not get our wages in the shops and our love and life outside.

The reorganization of industry must be based as a first condition upon the development of the worker and not upon the output."

Cost of Education

Municipalities have been faced with a terrific problem in extending their educational facilities and finding the money through taxation to cope with the general demand for educational advantages for our children. Unfortunately, these increased costs have not been accompanied by a more flexible course of training, but rather have been accompanied by very straight-laced standardization which probably does not take good account of the changing conditions of life.

It still seems to be true that public school pre-supposes a high school course, a high school pre-supposes a university course, and while in our commerce schools and technical schools we have valuable institutions, it is probable that we have much progress to make along the lines of requiring no time to be given to any subject where there is not an adequate appetite and interest on the part of the student.

Higher Education

Business is accused of requiring, for money-making purposes, purely scientific and technical training as against cultural training.

I venture to suggest there is nothing more needed to-day in business to meet the changing conditions in merchandising, than that from our schools should come into business life, those who have been equipped with the best cultural training, even classical training which our schools and universities can provide.

The quality, above all which is necessary for accomplishment, is the ability to compass in thought, within the shortest space of time, and in the most thorough fashion, the problems which present themselves and, on the other hand, to have such ability to think accompanied by the sort of human quality which spells influence and enables a person to put into effect with enthusiasm and the full co-operation of others, such measures as his mind conceives. These qualities are not necessarily in those who are purely technically trained, in fact, it is the speaker's conviction that they are more likely to be exemplified in the person who has the more classical or cultural training.

Co-Education

May I venture to suggest that our present system of education of boys and girls in the upper forms of high school and in the university in the same class rooms and with the same courses is inimical to the best interests of both the boys and the girls.

This does not mean that the girls should not have equal opportunity with boys to secure advanced education, indeed by reason of an early mental and physical development, girls are probably much more brilliant and more capable than boys at the same age.

Social Life

While I am one who believes in a very generous opportunity being accorded young people to mingle together along social lines, I think it is a great mistake to have the social enterprise of our young people springing from their close association together in the same class rooms during the school years.

There is a sense in which boys are of rougher calibre and require a different discipline than do the opposite sex, and it is in these developing and difficult years that the boys especially should be under the discipline suitable to their mental and physical condition.

The temptation to enter indiscriminately into social activities in the university, especially in the earlier years of the course, is very destructive of good results and it is probable that many young men to-day are slower in taking their places of responsibility alongside of the girls and with much more slowly growing earning power than is necessary.

Wasted moments in the young life between the ages of sixteen and twenty-five account for wasted months and even years and postpone earning power and the real responsibility which should be the accompaniment of each man's vocational experience.

University Education

I should like to see a matriculation standard other than the purely academic standard which applies to-day. No taxpayer should be called upon to provide a university education for the young fellow citizen who has not a distinct and definite purpose in mind in going forward to the university. It might be a shock to the community but it might be a very helpful thing, if about one out of every two, or whatever is the proportion of those without purpose who go on to the university, were put to work and allowed to spend their time in productive enterprise instead of their four year university waste of time.

Changes in Education

Could we have changes in our educational programme somewhat along the lines suggested, we should have a product entering business from the schools and universities that would best be able to meet present and future changing conditions in merchandising.

Changing conditions in merchandising demand more scientific handling—more self thrown into service—more moral purpose, more and more dependable publicity, out of such stuff comes volume, profits and success.

There is still place and profit for the earnest merchant who gives his best in service and who knows his business. He it is who meets the changing conditions without dismay and still serves and propers.

Cardy Joins Board of United Hotels

From Our Own Correspondent

MONTREAL.—Vernon G. Cardy, managing director of the Mount Royal Hotel, and A. L. Caron, another director of the company, have been appointed to the Board of the United Hotels Corporation of America, which is now operating 27 hotels in the United States and Canada and has a large interest in the American Hotels Corporation operating over thirty hotels. Mr. Cardy is also a director of the American Hotels Corporation. The other Canadian on the United Hotels' board is George H. O'Neill, the managing director of the United Hotels Corporation.

THESE SHARES HAVING BEEN OVER-SUBSCRIBED, THIS ADVERTISEMENT APPEARS AS A MATTER OF RECORD ONLY

New Issue

20,000 Shares

Photo Engravers & Electrotypers

Limited

Common Stock (no-par value)

TRANSFER AGENT: National Trust Company, Limited
REGISTRAR: The Trusts and Guarantee Company, Limited

Appraisals by Dominion Appraisal Company, Limited

CAPITALIZATION

	Authorized	To be issued
Common Stock (no-par value)	50,000 Shares	30,000 Shares
No Bonds	No Preferred Stock	

BOARD OF DIRECTORS

W. T. NORTHGRAVE, *President and General Manager.*

J. H. RATCLIFFE, *Vice-President.*
Director, Hayes Wheels & Forgings, Limited;
Director, Hunt's, Limited.

W. J. NORTHGRAVE,
President and Managing Director, City Dairy Co., Ltd.

GEORGE L. GARDINER, *Sales Manager.*

J. G. WEIR,
Director, Stanford's, Limited;
Director, Humberstone Shoe Co., Limited.

Mr. W. T. Northgrave, President and General Manager, summarizes from his letter to us as follows:

HISTORY AND BUSINESS: Photo Engravers & Electrotypers, Limited, has been incorporated under Dominion letters patent to acquire the business now carried on by The Photo Engravers, Limited, The Electrotypers, Limited, and The Process Engravers Realty Company, Limited, which are wholly-owned subsidiaries of the new company. The business was established in Toronto in 1906 by Mr. W. T. Northgrave, who assumes the position of president and general manager of the new company. From a small beginning it has been built up by Mr. Northgrave and his associates to its present outstanding position in the industry.

The company is one of the largest producers in Canada of photo engravings, electrotypes, stereotypes, photostats, commercial photography and commercial art work of all kinds. A specialty is made of catalogues and booklets. Its regular customers number over 1200. These include, besides newspapers and periodical publications, some of the largest merchandising, manufacturing and industrial concerns in the country.

PROPERTY: The company through its subsidiaries, owns a large, modern, fireproof, five-storey and basement, brick and concrete building at 249-251 Spadina Avenue, in the City of Toronto, free of all encumbrances except a $3,000 mortgage which matures on January 16th, 1928, and for the payment of which funds have been deposited with the National Trust Company, Limited. In this building the company has a complete and modernly equipped plant for carrying on its business. Additional adjoining property, which will be available for future expansion, has also been secured.

MANAGEMENT: The management of the company will be vested in the same men who have developed the constituent companies from their inception to their present pre-eminent position in the industry. The company has entered into a contract with Mr. W. T. Northgrave to continue as general manager for a period of ten years.

ASSETS: The balance sheet, as certified by Messrs. Edwards, Morgan & Co., chartered accountants, shows net tangible assets of $439,696.45. Current assets of $182,411.95 compare with current liabilities of $6,277.77, a ratio of over 29 to 1. Working capital amounts to $176,134.19.

EARNINGS: Consolidated net earnings available for dividends for each of the four years ended February 28th, 1924 to 1927, and for the six months ended August 31st, 1927, after providing for depreciation and bad debts but before making provision for income taxes, are certified by Messrs. Edwards, Morgan & Co., chartered accountants, as follows:

Year ended February 29th, 1924	$88,236.34
" " " 28th, 1925	92,718.21
" " " 28th, 1926	87,487.50
" " " 28th, 1927	93,762.99
Six months ended Aug. 31st, 1927	67,383.21

Net earnings for the four years ended February 28th, 1927, averaged $90,551.26 per annum, or in excess of $3.00 on each share presently to be outstanding. For the six months ended August 31st, 1927, net earnings were at an annual rate in excess of $4.00 per share.

DIVIDENDS: It is the intention of the directors to place this stock on an annual dividend basis of $2.00 per share, payable quarterly, beginning March 1st, 1928.

INDUSTRY: The rapid growth of advertising is one of the wonders of modern industrial history. Business executives recognize the necessity for it, and realize that the most effective advertising is done through pictures and attractive artistic display. With its complete equipment, its day-and-night service and its skilled personnel, the company is peculiarly adapted to take advantage of the growth that is taking place in the advertising industry.

This stock is offered for subscription, subject to allotment, when, as and if issued and received by us, and subject to approval as to legality by our counsel, Mr. W. Kaspar Fraser.

PRICE: $29.00 per share

APPLICATION WILL BE MADE TO LIST THESE SHARES ON THE TORONTO STOCK EXCHANGE.

McLeod, Young, Weir & Company

Limited

Metropolitan Building, TORONTO

MONTREAL : OTTAWA : HAMILTON : LONDON

The above statements are those on which we acted in acquiring this stock and, while not guaranteed, are obtained from sources we believe to be reliable.

Insurance for Buyer and Seller

HIGH POWER CARS PLAY HAVOC WITH INSURANCE RATES

Number of Claims on Behalf of These Autos Double Low-powered Cars

The high powered automobile seems to be playing havoc with automobile insurance rates.

Out of the recent experiences of the insurance companies there comes the fact that the number of claims on behalf of high-powered cars, is just about twice the claims of the low-powered vehicles on three important classes of risk.

With higher claim costs in the realms of public liability, property damage and collision insurance, and higher rates forecast for 1928, the attention of motorists and insurance men is focused on the various responsible factors. Of course, dozens of factors enter into this situation and many of them have been discussed without any reference to their real significance.

Claim Frequency

Speaking in technicalities, however, the high-powered automobile enters the situation by way of "claim frequency." In other words, every class of automobile insurance is analysed according to the frequency with which accidents occur. Not only does this apply to each one of the five classes of risk, but also to every type of car and to every city and district in Canada. The computation is made on the basis of claims per 100 cars, and claim frequency is simply the number of accidents per 100 cars.

Of course, the term "high-powered" is comparative, and many an automobile owner deludes himself into thinking that his own little bus is sitting absolutely on top of the power pile. However, of the 900,000 automobiles that are now registered in Canada, less than 5 per cent. or about 50,000 can safely be called "high-powered," and although the number is increasing by leaps and bounds every day, it is this comparatively small classification that is causing a great deal of trouble.

Twice as Many Accidents

As far as the three classes of automobile insurance are concerned, this high-powered car, is responsible for just about twice as many accidents as the low-powered machine. In all three realms—public liability, property damage, and collision—the loss claim frequency approximately doubles itself with the advent of a high-powered car. And the very fact that automotive power is increasing by leaps and bounds, makes this problem all the more important.

A few years' ago, the man who purchased a $1,500 automobile had to be content with a fairly low-powered machine. To-day, the same amount of money will purchase probably at least two more cylinders of power, and so on through the whole range of models, the tendency is to decrease price and to increase power.

However, in spite of this increase in power, it may seem to many, that high-powered cars are very seldom involved in accidents, for the reason that the most expensive and the most powerful types of car are usually under the care and control of an experienced chauffeur. To a certain extent this is true, but on the other hand, the fact that young people are allowed to use these powerful cars, is considered to be a factor that more than offsets the fact that the cars are usually under careful supervision.

Barred His Son

A typical instance to illustrate this point has occurred a few weeks ago.

A very prominent citizen owned several expensive and high-powered cars, all of which were insured. The claims on these cars had been coming in thick and fast, and the losses taken by the insurance company were so great that the company notified the owner that he would have to look elsewhere for his insurance. However, they told him that they would continue to take his risk on one condition, and that was that he would add an endorsement to his policy which would absolve the insurance company from any claim in which his son was responsible. The citizen signed the endorsement, and from henceforth he will be personally liable for any of his son's accidents. The insurance company could not carry the risk at the accepted rate, while the insurer's son was free to drive his father's high-powered cars.

In addition to the relative size of the car, another consideration which has a strong influence upon rates, is the territory in which the car is insured. Of course, congestion is greatest in the larger cities, but congestion is not always the most important factor. The question of traffic control is of primary concern in a big city.

Take for instance the City of Quebec. Although this city has a population of only 125,000 it is considered the worst metropolitan hazard in Canada on account of its poor traffic control. For every hundred cars there are more than twice as many accidents in the City of Quebec, as there are outside the city, and its claim frequency is much higher than in the infinitely bigger cities such as Montreal and Toronto.

As the size of the city increases, the congestion of traffic tends to a higher claim frequency, but experience shows very clearly that this claim frequency can be greatly reduced by the proper and careful regulation of traffic.

Pay More for Canadian Wheat

United States farmers receive about 15 cents a bushel less for their wheat that Canadian farmers, because of higher railway rates, according to Senator Brookhurst of Iowa, speaking at Washington.

Ottawa May Arrange Amicable Co-operation on Insurance Questions

Scheme of Jurisdiction in Canada is Likely to Receive Consideration in Near Future, According to Pronouncements From Ottawa

The question of insurance jurisdiction in Canada is evidently due for some official consideration in the near future, according to the pronouncements that have come from Ottawa, as a result of the recent conference of provincial premiers. In brief, the basis upon which the matter now stands, is the promise that a careful study will be made with a view to satisfactory co-operation between the province and the Dominion; and also the tacit understanding that whatever else happens, there will be no tampering with the two sections of the British North America Act, which have governed the question of jurisdiction for the past sixty years.

It is now nearly two months since Ontario and Quebec threw their bombshell into the jurisdiction field by licensing the New England factory mutual fire insurance companies. Although these companies had already some $700,000,000 at risk in these two provinces alone, they had never been licensed in any part of Canada, for the reason that as mutual companies they refused to comply with the Dominion requirements which demand a deposit as a prerequisite of licensing.

Right to Control

Their entry into Ontario and Quebec, brought to a head a controversy between the provinces and the dominion which had been brewing for some years, and placed the onus on the Dominion to justify their right to control the licensing of foreign insurance companies.

The provinces claimed that a ruling of the Supreme Court of Ontario, in 1926, had confirmed their licensing powers, and that since that time the Dominion had taken no steps either to withdraw their legislation, or to appeal the decision to the Privy Council.

After the provinces had taken the bull by the horns and had licensed the New England Mutuals, the controversy broke out afresh, and it became evident that the subject would be an important item on the agenda of the conference of provincial premiers. Now the conference is over, and the question still presses for settlement.

Absolute Unanimity

According to official and other reports, that have come back from Ottawa, the most important phase of the conference is the fact that in so far as the jurisdiction sections of the British North America Act are concerned, there seems to be absolute unanimity that there will be no change here, no matter what else may happen to the rest of Canada's Magna Charta. The four provinces, Quebec, Ontario, New Brunswick and Nova Scotia were all agreed that there should be no change at all in the B.N.A., but in so far as the jurisdiction sections (91 and 92) are concerned, all the provinces agreed that there should be no change. This means that insurance jurisdiction will now have to be decided by the courts, if the issue is not settled by the method of co-operation, and that wherever the courts decree that jurisdiction rests, there it will remain.

The second important point in the conference's deliberations, was the recommendation of the special committee appointed to discuss the question of the incorporation and operation of companies. Unfortunately, the whole matter was discussed in camera, and the only result of this deliberation which has been made public, is the official recommendation which is as follows:

Basis of Co-operation

"That with respect to insurance, loan and trust companies, a careful study should be made with a view to reaching a satisfactory basis of co-operation with the provinces."

If "a satisfactory basis" can be reached without recourse to the courts, the question of jurisdiction may die a natural death for the time being, and a temporary settlement be achieved. If on the other hand, it is necessary to appeal to the last court of judgment, the privy council, a permanent settlement probably would be achieved, which would result in the necessity of a thorough adjustment of present jurisdictory powers.

Sun Life Wrote $38,000,000 of Business During October

When T. B. Macaulay, president of the Sun Life, was banquetted last week John A. Tory, supervisor of the Western Ontario Division, with headquarters in Toronto, presented him with a handsomely bound book containing a letter of congratulations from each divisional manager of the organization of the Sun Life in all parts of the world. The letters are all in the manager's own hand writing and in a majority of cases are from many who have been associated with Mr. Macaulay for a good many years. For instance, Mr. Tory, who presented the book, has been associated with the president of the Sun Life for upwards of thirty-five years.

In announcing the final figures of a world wide campaign staged in Mr. Macaulay's honor during the month of October, some interesting comparisons were made by Mr. Tory. During the month just closed, the total paid for business was approximately $38,000,000, or a total paid for business for each working day of the months of almost $1,500,000. It is interesting to note that the total paid for business secured during the month of October exceeded by $3,000,000 the total amount of business in force when Mr. Macaulay became president of the Sun Life Assurance Company in 1915. The increase in business per day during the month of October was approximately $500,000 of paid for business. Another interesting feature in connection with Mr. Tory's announcement of the business secured was that during the first two days of October the total paid for business secured was an amount greater than the total business in force when Mr. Macaulay joined the company fifty years ago.

From January 1st to September 30th, 1927, there were two hundred and thirty-four working days and during that time the Sun Life averaged almost $1,000,000 of paid for business for every working day—a record for the Sun Life and Canadian insurance history.

THE
ONTARIO EQUITABLE
LIFE AND ACCIDENT INSURANCE CO.
S. C. TWEED, *President*
HEAD OFFICE:
WATERLOO, ONTARIO
Assets (Dec. 31, 1926) $3,822,316
Reserves 2,422,896
Insurance in Force...33,050,441

The Independent Order of Foresters
Organized 1874
TOTAL BENEFITS
Paid to Members and their Beneficiaries
$87,000,000.00
Policies Issued from $1,000 to $5,000
G. E. BAILEY, Secretary — W. H. HUNTER, President — ALEX. STEWART, Treasurer

Cheerfully Independent!
Some day you will be considered "too old for the job." When that day comes, how will it find you — trusting to relatives or cheerfully independent?
A little saved from salary and invested in a Great-West Life Endowment policy will make old age the brightest portion of your life.
Protection with Profit
The Great-West Life Assurance Company
Head Office - Winnipeg

Present Ancient Vase to T. B. Macaulay

As a climax to a week of celebration in connection with T. B. Macaulay's business jubilee, the Sun Life head office at Montreal, shut up shop for a day last week and declared a holiday. Ever since the banquet, which was held over a week ago, the organization has been laying its tributes at Mr. Macaulay's feet.

On Friday last, the 1,400 employees of the head office made a personal presentation to their chief in the form of a replica of the famous Warwick vase which reposes in Warwick castle, England. This vase is one of the most famous in the world, it being said that Napoleon carried a note in his post pocket-book reminding himself that when he conquered England, he was to take possession of the original. No other ancient vase, its equal in size and workmanship, is known to exist.

"I thought all my troubles were over when, last Thursday night ended," said Mr. Macaulay, when his staff made the presentation.

B.C. Underwriters Form One Association

After a year of negotiations, the fire and automobile underwriters of British Columbia have now merged themselves together into one association which will be called the British Columbia Underwriters' Association. This is claimed to be the first merger of its kind in North America. Many efforts in various parts of the continent have been made in various parts of the country with a view to bringing these two groups together, but this is evidently the first successful group to arrive at a settlement.

The association will have two branches, fire and automobile.

The fire group will be controlled by J. A. Anderson, as chairman, and J. L. Noble as manager. The automobile branch will be under the chairmanship of F. B. Lewis, and managed by A. E. Goodman.

Insurance Inquiries Other Insurance News on Page 59

Satisfactory Service Guaranteed
PRUDENTIAL TRUST COMPANY
LIMITED
Trustees, Executors, Administrators, Real Estate and Insurance, Safety Deposit Vaults.
W. G. ROSS, Chairman of the Board
B. HAL. BROWN, President and General Manager
HEAD OFFICE
PRUDENTIAL TRUST BLDG., Montreal
TORONTO OFFICE
Reford Bldg., 217 Bay St.
Branches throughout Canada and in London, Eng.

Without Medical Examination
Select Male Risks, ages 15 to 45, may obtain insurance up to $2500 without Medical Examination.
Specimen Rates for $2500

Age	Rate
20	$41.65
25	46.25
30	52.40
35	60.65
40	71.40

Policy Guarantees
(1) $2500 for death from natural causes.
(2) $5000 for accidental death.
(3) $25 per month for total disability, and $2500 at death. No premiums payable during disability.
Mail this coupon to-day.
EXCELSIOR LIFE INSURANCE CO., Excelsior Life Building, Toronto.
Please send me particulars of your Double Indemnity Policy.
Name ..... *Age* ....
Address .....

Western Investments
Those who have investments in British Columbia, with which they are not familiar, may write to us for independent reports or valuations.
Our organization covers every section of the province.
Pemberton & Son
Vancouver Limited
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Vancouver, Canada

Metropolitan Plans to Expand in Britain

The Metropolitan Life Assurance Co. is about to enter the English field. Previously the policy of the company has been to confine its activities entirely to Canada and the United States, but the tremendous growth of the group insurance business within the past few years has made it necessary for the company to look across the sea to England.

The Metropolitan Life has group insurance on many large American and Canadian organizations which are international in character, and which maintain manufacturing and sales organizations in England. The insurance on these employees has extended considerably of late, so that there will be a nice nucleus for the company to work on.

In addition to this international business, the Metropolitan will also write business with large British corporations, especially those whose Canadian employees are already covered.

Car and Foundry to Appeal

MONTREAL.—The Canadian Car and Foundries has lost, but will appeal, a case involving some $312,823, which has been awarded to J. Philip Bird. Action was entered to compel the company to pay a commission on contracts secured from the Russian Government in 1915. The courts have awarded J. P. Bird this amount with interest from November 24, 1919. W. F. Angus, vice-president of the company, states that an appeal from the judgment will be made immediately.

THE CANADA NATIONAL FIRE INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, CANADA
TOTAL ASSETS $2,928,337.62
TORONTO, 24 Adelaide St. W.
W. H. GEORGE
Superintendent of Agents

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FIRE, HAIL and CASUALTY INSURANCE
Of every description effected with leading Insurance Offices.
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THE MONARCH LIFE
IS A
GOOD COMPANY
Provincial Offices:
Toronto, Montreal, Winnipeg, Regina, Saskatoon, Calgary, Edmonton, Vancouver, Victoria, St. John, Halifax.

Leaving a wife and sister but no Will
The wife gets $1,000 and 50% of the estate. The sister receives the remainder.
Whether the sister is married and in good circumstances financially makes no difference. The law must be carried out when there is no Will.
Why leave your estate to be distributed in accordance with the Law when it can be disposed of in accordance with your wishes by making a Will?
Exercise that privilege now while in good health and sound mind.
The CANADA TRUST COMPANY
"Faithful, Permanent and Impartial"
Branches in Five Provinces.
London (four), Toronto, Hamilton, Windsor, Chatham, St. Thomas, Winnipeg, Regina, Edmonton and Victoria.
T. G. Meredith, K. C., Chairman of the Board
Hume Cronyn, President — M. Aylsworth, General Manager

YOUR KEY
TO HAPPINESS AND PROSPERITY
A guaranteed pension of $100 a month for life commencing at age 55, 60 or 65.
No matter how long you may live you are guaranteed the full monthly pension.
YOUR PRESENT SAVINGS EVEN IF SMALL WILL BUY YOU A PENSION
SEND TO-DAY FOR INTERESTING ILLUSTRATED BOOKLET
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FILL OUT AND MAIL
Please send me booklet "Your Key to Happiness and Prosperity"
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Current Events in Banking World

ADVISES BRITISH BANKS TO ENLARGE DEPOSIT BUSINESS

Head of Bankers' Institute Sees Need for Cash to Finance Trade

Special to The Financial Post

LONDON, Eng.—The new president of the Institute of Bankers is Frederick Hyde, joint managing director of the Midland Bank. Mr. Hyde delivered his inaugural address as president the other day and discussed some real problems that face British banks in the financing of business under present conditions.

Mr. Hyde showed how the continued depression in industry has put the banks in the position of having tied up much of their capital in advances to long-established businesses that have steadily lost money in recent years. The liquid assets of these concerns have virtually been wiped out. For the banks to call in their advances would not be right.

Discussing One Typical Loan

Mr. Hyde said: "The valuable mill and machinery would at any time be amply sufficient to realize enough to repay the bank advance and leave something over for the shareholders. But this would have entailed the liquidation of an old established business which in more normal times earned good profits and gave employment to a large number of work-people, and such a course would be properly described as very harsh on the part of the bank and entirely opposed to the national interests. Instead, the bank pursued the course of supporting its customer through the difficult years, with the result that the liquid assets of the company have practically disappeared and the bank's advance now represents so much capital invested in mill buildings and machinery.

Assets Have Liquid Character

"I have taken this as an instance of the way in which an advance which was originally quite liquid has, in consequence of prevailing conditions, become temporarily at all events a 'lock up,' and to that extent reduced the funds of the bank available for extending fresh facilities required to finance a revival of trade when it occurs."

The situation has left the banks in the position of having to find new capital to finance a revival of business for "when a revival does occur there will certainly be a fresh demand made upon the banks for additional advances to enable customers to purchase stock and to pay wages until the proceeds of new sales are received.

"This opens up the problem of how are the banks to find the additional money to finance a revival of trade. Already the total of advances represents over 54 per cent. of the deposits and cannot be increased indefinitely.

"No doubt a large proportion of the advances made by the banks are thoroughly liquid and there is a steady stream of repayments which will enable the banks to continue their assistance to trade to a considerable extent without unduly increasing the percentage of total advances to deposits. At the same time, while I do not think we need fear the contingency of the reservoir being emptied, I am of opinion that it behoves us as prudent men to look around and see what other streams can be tapped to enable us to continue the assistance which industry will properly look to us to afford.

"It is obvious that the power of the banks to increase their advances is conditional on an increase of their deposits, and the problem we have to solve is, therefore, how can deposits be increased?"

Must Increase Cash Reserves

Mr. Hyde felt that "the banks should hold a substantial portion of their cash reserves in the form of currency, and that they should use this currency freely to meet a special emergency.

"If we can increase our cash we can increase our advances and thereby increase our deposits by eight or nine times the amount of the increased cash without disturbing our ratio, and, on the other hand, if we decide that we can work on a lower ratio we can liberate cash to form the basis of new deposits by increasing our advances by eight or nine times the amount of cash liberated.

"With regard to the possibility of increasing our cash; that portion of it which we deposit with the Bank of England is governed by the policy pursued by that bank in either increasing or decreasing the securities which it holds—such increase or decrease causing a corresponding movement in its deposits, including the bankers' balances. But our cash can be increased in another way. There are at present in circulation currency notes to close on £300,000,000. This figure, of course, includes those currency notes held in the banks and in the tills of railway companies, shopkeepers and others—still a very large increase on the total of gold in circulation before the war on even the most liberal estimate. If any considerable proportion of the notes held by the public could be transferred to the banks and held by them as part of their cash reserves, such notes would fulfil a double purpose—first, they would enable the banks to increase their assistance to trade by extending their advances and, second, they would provide the banks with a larger proportion of currency in their reserves without having to entrench upon the cash held by the Bank of England.

It appears to me that it would be worth the while of the banks to consider whether they cannot offer further inducements to people in receipt of weekly wages to open banking accounts and thus minimize the use of cash in making payments and render it available for banking reserves.

Suggests Tapping Wage-Earners

"But are people in receipt of weekly wages the only people who carry currency notes? Is it not a fact that nearly everybody carries more cash now than before the war? I think a large proportion of the additional circulation is held by the public generally as a reserve to meet payments which, with a still further development of our banking system, could be met equally well by cheques on banks.

"Then we come to our second factor. Can the banks safely reduce their ratio of cash to deposits and so liberate cash to become the basis of new deposits, which will be created by the additional lending by the banks?

"In our illustration we assumed, I think rightly, that as the banking habits of the public increased the need for maintaining so high a ratio was reduced, and this again confirms me in the belief that it would be wise for bankers to foster the growth of banking habits among all classes of the community.

"The smaller the volume of settlements effected in cash, the smaller the volume of cash required for circulation purposes and the smaller the likelihood of cash being withdrawn from the banks, and hence the possibility of reducing cash ratios.

"In the past the banks have played an important part in promoting the growth of the trade and commerce of the country; they have loyally supported their customers through difficult times, and I think they have the means at hand of still further extending their sphere of usefulness in helping to build up a happy, thrifty, and prosperous people."

Banking Statement Reveals Prosperity

Indications of steadily advancing prosperity in Canada continue to show in the chartered bank statement, published by the Minister of Finance.

The September 30 statement reveals the following changes of note:

Current Loans in Canada

Increase for month $10,275,000
Increase for year 76,000,000

This gives direct evidence of expanding business in Canada.

Canadian Call Loans

Increase for month $8,000,000
Increase for year 58,400,000

The increase evidences not only the large volume of new financing being undertaken but also the volume of trading in the stock market.

Savings Deposits

Increase per month $5,600,000
Increase for year 59,400,000

The increase in Canadian wealth is clearly revealed in these figures.

Call Loans Abroad

Increase for month $7,155,000
Decrease for year 279,000

These are largely loans in the New York stock market.

Total Assets

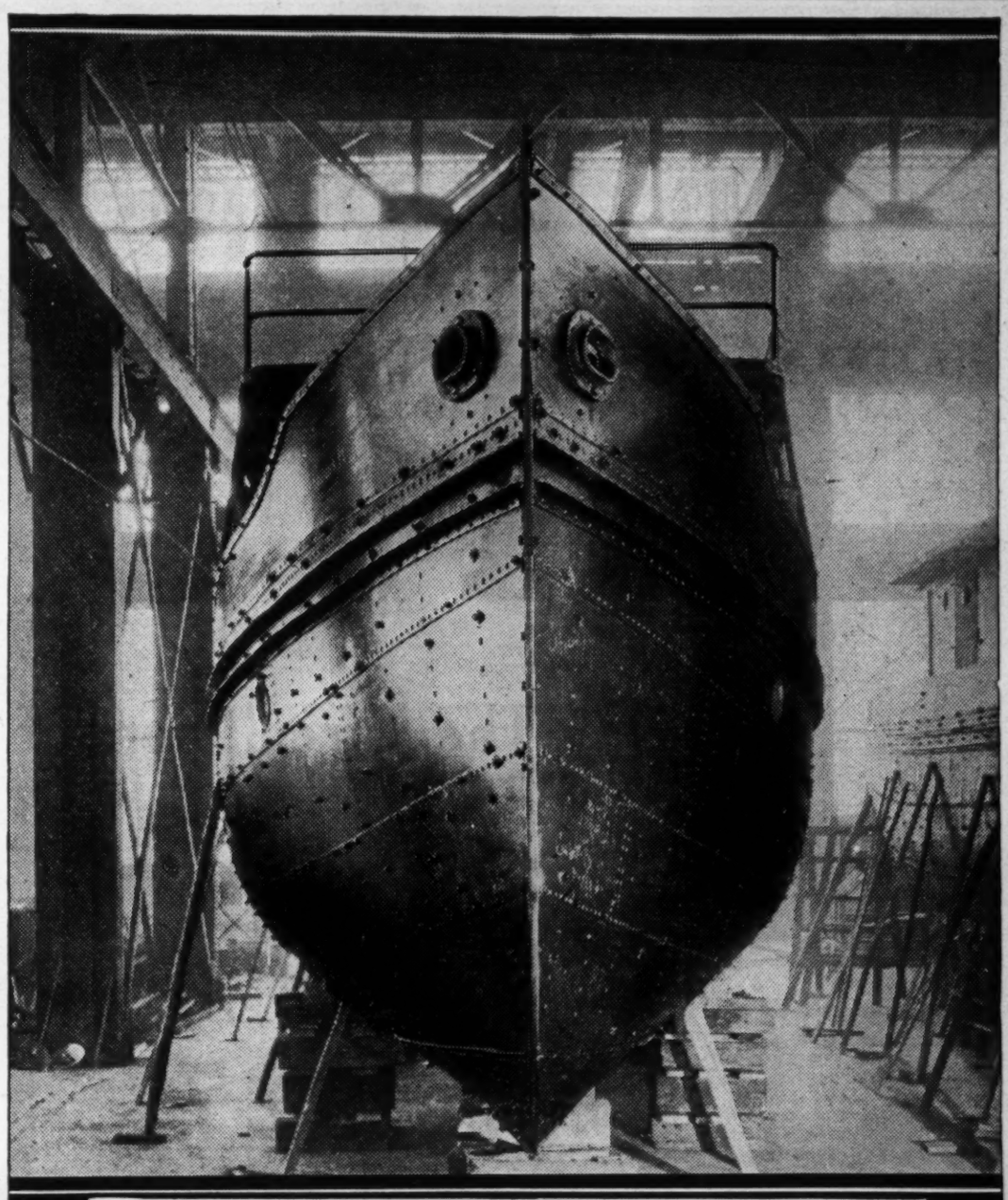
Increase for month $68,100,000
Increase for year 185,800,000

The Financial Post's summary of the bank statement is as follows:

BANK STATEMENT FOR MONTH OF SEPTEMBER

Immediately Available Liquid Resources

	September, 1927	August, 1927	Change	September, 1926	Change
	Assets				
	$	$	$	$	$
Specie	67,423,256	67,095,519	+ 327,737	62,491,166	+ 4,932,090
Dom. Notes	116,053,510	113,019,464	+ 3,034,046	122,067,101	— 6,013,591
Gold Reserve	59,920,332	66,070,332	— 6,150,000	64,610,332	— 4,690,000
Foreign Banks	73,174,151	68,859,341	+ 4,314,810	68,966,703	+ 4,207,448
Foreign Curr.	21,658,576	22,751,041	— 1,092,465	21,923,856	— 265,280
Govt. Secs.	329,479,510	334,893,622	— 5,414,112	344,195,394	— 14,715,884
Call Loans Ab'd	260,484,996	253,329,993	+ 7,155,003	260,763,965	— 278,969
	928,194,331	926,019,312	+ 2,175,019	945,018,517	— 16,824,186
Loans and Securities Other Than Those of Canadian Government					
Pub. Secs.	139,467,543	137,099,921	+ 2,367,622	122,220,061	+ 17,247,482
Rly. Secs.	63,896,301	63,977,621	— 81,320	61,151,746	+ 2,744,555
Can. Call Loans	200,321,285	192,344,392	+ 7,976,893	141,837,903	+ 58,483,382
Curr. Loans	1,035,880,288	1,025,605,519	+10,274,769	959,889,525	+ 75,990,763
Loans Abroad	275,701,858	262,552,120	+13,149,738	266,851,767	+ 8,850,091
M. & Prov. L.	92,696,210	86,235,550	+ 6,460,660	85,691,830	+ 7,004,380
	1,807,963,485	1,767,815,123	+40,148,362	1,637,642,832	+170,320,653
Other Assets					
Non. Curr. Loans	9,107,697	8,990,430	+ 117,267	10,004,879	— 897,182
Real Estate	7,856,414	7,834,133	+ 22,281	8,273,217	— 416,803
Mortgages	6,381,802	6,391,752	— 9,950	5,902,651	+ 479,151
Premises	70,885,552	70,912,978	— 27,426	71,262,034	— 376,482
Lets. of Cred.	77,291,227	72,541,692	+ 4,749,535	72,119,010	+ 5,172,217
Loans to Comp.	7,093,981	6,847,144	+ 246,857	5,841,677	+ 1,252,304
Other Assets	2,721,535	2,837,046	— 115,511	2,748,417	— 26,882
	181,338,208	176,355,175	+ 4,983,033	176,151,885	+ 5,186,323
Total	2,917,496,024	2,870,189,610	+47,306,414	2,758,813,234	+158,682,790
Note Cir. Dep.	5,929,888	5,923,870	+ 6,018	5,766,484	+ 163,404
Int. Bk. Bal.	149,058,496	128,231,530	+20,826,966	122,127,352	+ 26,931,144
Gross	3,072,484,408	3,004,345,010	+68,139,398	2,886,707,070	+185,777,338
LIABILITIES TO THE PUBLIC					
Liability to Government and Circulation					
Circulation	171,889,550	166,646,392	+ 5,243,158	168,008,821	+ 3,880,729
Dom. Govt.	80,455,836	70,082,755	+10,373,081	52,223,357	+ 28,232,479
Prov. Govt.	21,769,680	19,827,412	+ 1,942,268	17,825,989	+ 3,943,691
Govt. Advances	22,750,000	25,950,000	— 3,200,000	18,800,000	+ 3,950,000
Deposits by Public					
Demand Dep.	596,154,415	571,333,964	+24,820,451	558,415,604	+ 37,738,811
Savings Dep.	1,395,329,840	1,389,703,490	+ 5,626,350	1,335,895,766	+ 59,434,074
Total	1,991,484,255	1,961,037,454	+30,446,801	1,894,311,370	+ 97,172,885
Foreign Dep.	355,027,162	333,704,507	+21,322,655	326,255,121	+ 28,772,041
Due Banks Abroad, Etc.					
United Kingdom	6,755,952	6,501,902	+ 254,050	10,391,804	— 3,635,852
Foreign	40,194,729	45,300,348	— 5,105,619	34,719,157	+ 5,475,572
Bills Pay.	10,965,622	10,399,696	+ 565,926	12,382,713	— 1,417,091
Lets. of Cred.	77,291,227	72,541,692	+ 4,749,535	72,119,010	+ 5,172,217
Other Liabs.	2,286,116	2,372,565	— 86,449	1,890,080	+ 396,036
Pub. Liabs.	2,780,870,129	2,714,364,723	+66,505,406	2,608,927,422	+171,942,707
Due Bet. Banks	10,689,389	10,694,866	— 5,477	10,365,899	+ 323,490
Liability to Shareholders					
Dividends	717,480	2,828,833	— 2,111,353	700,129	+ 17,351
Reserve	130,942,600	130,881,920	+ 60,680	125,441,760	+ 5,500,900
Capital	122,665,560	122,604,880	+ 60,680	117,124,011	+ 5,541,549
Gross	3,045,885,158	2,981,375,222	+64,509,936	2,862,559,161	+183,325,997



SHOWN above, in the course of construction, is one of three 250 H.P. Deisel Oil Engine tugs built in our own shops for the Canadian International Paper Co.

Each tug is 75 feet long with a 17-foot beam, and the three were shipped knocked-down to the railway station nearest the Gatineau Development scheme.

They were transported 35 miles by tractor and sleigh through the bush, then re-assembled and launched.

Our Consulting Bureau is at your service without obligation. They will gladly discuss and advise regarding any type of Engineering or Boiler-making problem.

The John Inglis COMPANY LIMITED

14 STRACHAN AVENUE, TORONTO, ONT.
405 POWER BUILDING, MONTREAL, P.Q.

Balances in Dominion and Post Office Banks

Balances in Dominion government savings banks at September 30, 1927, were $8,137,957. The figures follow:

Victoria	$ 692,166
Charlottetown	1,590,276
Saint John	3,888,684
Halifax	1,966,831

Deposits in post office savings banks totaled $22,729,717.

Staff Gossip

F. Teeple, of the Windsor branch of the Bank of Montreal, has been transferred to the London branch.

J. L. Michaud, manager of the Rouyn branch of the Banque Canadienne Nationale, has been transferred to Montreal, where, it is understood, he will take over the duties of manager of another branch. A. C. de La-Chevrotiere, formerly accountant at the Amos branch, will replace Mr. Michaud at Rouyn.

J. W. Hamilton, assistant general manager of the Royal Bank at Winnipeg, has announced his retirement from the service of the bank. No successor has been appointed as yet. S. L. Cork, western supervisor, will carry on Mr. Hamilton's duties in the meantime, it is understood.

Mr. Hamilton was appointed general manager of the Union Bank in 1923, and on the purchase of the Union by the Royal Bank, he became assistant general manager of the latter institution.

Open New Branches

The Royal Bank of Canada announces the opening of branches at the following points: Montreal, Monkland and Oxford; Noranda, Que.

The Canadian Bank of Commerce has opened a branch at Westdale, a suburb of Hamilton.

A branch of the Imperial Bank is being opened at Mayerthorpe, Alta., sub to Sangudo, and also a branch at Eckville, Alta., sub to Sylvan Lake. Mayerthorpe branch is open daily and Eckville only on Mondays, Wednesdays and Fridays.

Other Banking News on Page 58

Weekly Bank Clearings

	Nov. 11, 1926	Nov. 10, 1927
Eastern Cities		
Halifax	$ 3,046,321	$ 3,284,035
Saint John	2,471,246	2,187,627
Moncton	878,889	864,423
Sherbrooke	951,156	900,392
Montreal	110,338,097	141,576,834
Quebec	8,072,608	7,595,003
Ottawa	7,333,509	9,238,509
Kingston	680,453	919,389
Peterborough	1,027,281	1,031,836
Toronto	87,712,254	131,805,837
Hamilton	5,111,357	5,951,331
Brantford	981,443	1,089,673
London	2,370,343	4,326,831
Kitchener	905,084	1,228,009
Sarnia	415,739	622,297
Windsor	3,974,533	4,765,648
Chatham	571,792	696,598
Western Cities		
Fort William	$ 1,246,893	$ 1,246,893
Winnipeg	72,308,141	79,761,160
Brandon	811,557	887,791
Regina	6,300,948	7,109,339
Moose Jaw	1,537,434	1,749,537
Saskatoon	2,241,040	2,776,054
Prince Albert	465,238	449,927
Calgary	10,078,436	12,741,323
Edmonton	5,044,797	6,264,410
Medicine Hat	381,258	569,202
Lethbridge	710,386	1,035,420
New Westminster	615,688	725,018
Vancouver	16,593,842	18,495,559
Victoria	1,973,906	2,569,099

Return of the Chartered Banks of the Dominion of Canada September 30th, 1927

Made to the Minister of Finance in conformity with Section 112 of the Bank Act, Chapter 32, of the Statutes of 1923

LIABILITIES

NAME OF BANK	Notes in Circulation	Due to Dominion Government	Advances under Finance Act	Due to Provincial Gov'nm'ts	Demand Deposits in Canada	Saving Deposits in Canada	Deposits elsewhere	Bal. due to other banks in Canada	Due to Banks in U.K.	Due to Banks elsewhere	Bills Payable	Letters of Credit	Other Liabilities	Dividends Declared & unpaid	Reserve Fund	Capital paid up	Total Liabilities	Capital authorized	% last dividend	Loans to Directors	Average gold and Coin Held	Average Dominion Notes held	Greatest amount notes in Circ.
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$		$	$	$	$
Montreal	43,353,333	56,195,238	.....	4,432,563	145,566,321	381,424,729	99,329,089	2,003,183	1,553,629	5,287,488	1,201,834	12,711,817	1,231,306	28,243	29,916,700	29,916,700	814,152,178	31,175,000	12	2,780,724	31,787,064	55,064,804	46,442,618
Nova Scotia	14,407,776	2,512,106	.....	364,152	35,512,173	122,368,856	33,740,191	1,953,094	55,440	1,164,204	465,962	6,299,368	93,575	400,000	19,500,000	10,000,000	248,836,904	15,000,000	16	2,086,818	9,128,143	8,188,139	15,418,832
Toronto	7,967,473	701,781	.....	277,607	34,470,535	58,758,628	.....	608,320	413,679	1,626,556	1,955,542	2,085,761	104,892	4,742	7,000,000	5,000,000	120,975,521	10,000,000	12	2,476,727	430,700	4,779,500	8,322,525
Provincial	4,144,908	167,186	1,250,000	294,124	6,201,012	33,425,424	.....	6,573	.....	10,425	.....	12,580	26,017	9,609	1,500,000	4,000,000	51,047,862	5,000,000	9	.....	183,613	604,540	4,374,728
Commerce	26,574,283	9,836,170	3,000,000	3,989,317	124,141,195	227,713,996	41,679,128	879,947	1,887,492	8,471,505	360,190	15,155,680	.....	19,967	20,000,000	20,000,000	503,708,876	25,000,000	12	5,875,862	17,596,000	15,937,000	28,258,701
Royal	38,542,974	5,938,842	7,000,000	7,844,534	139,074,526	288,771,088	176,495,911	1,009,776	1,388,287	19,599,616	6,729,037	34,796,107	54,768	60,644	29,900,900	29,900,900	787,107,915	40,000,000	12	2,341,041	11,243,543	8,882,988	40,260,068
Dominion	7,430,634	1,141,149	1,500,000	348,185	31,119,782	68,990,895	2,350,402	1,957,768	518,570	1,425,303	253,057	4,007,029	766,945	182,395	7,000,000	6,000,000	134,992,121	10,000,000	12	1,397,319	2,132,000	5,397,000	8,299,355
Standard	6,299,810	711,174	3,000,000	514,176	22,266,491	51,514,575	.....	1,072,576	474,053	1,688,966	.....	467,136	8,557	2,492	2,900,000	4,823,400	95,743,421	5,000,000	12	133,057	489,360	2,474,834	6,377,190
Nationale†	12,434,829	840,756	7,000,000	1,391,870	23,406,588	90,694,685	1,432,441	6,629	210,836	613,424	.....	843,700	.....	7,917	5,500,000	5,500,000	149,883,681	10,000,000	10	159,575	878,020	2,152,711	12,786,804
Imperial	10,094,090	2,319,556	.....	2,288,933	32,475,749	68,951,838	.....	1,191,523	253,956	289,931	.....	912,049	.....	1,371	7,500,000	7,000,000	133,279,000	10,000,000	12	74,900	995,156	4,560,511	10,842,726
Weyburn Security	639,440	91,878	.....	24,219	1,920,043	2,715,126	.....	.....	.....	17,311	.....	.....	.....	100	225,000	524,560	6,157,679	1,000,000	7	96,645	22,339	42,625	639,440
Total	171,889,550	80,455,836	22,750,000	21,769,680	596,154,415	1,395,329,840	355,027,162	10,689,389	6,755,952	40,194,729	10,965,622	77,291,227	2,286,060	717,480	130,946,200	122,665,560	3,045,885,158	162,175,000	.....	17,422,668	74,885,938	108,084,652	182,022,987

ASSETS

NAME OF BANK	Current Gold and Subsidiary Coin	Dom Notes	Notes of other banks	United States and other foreign currencies	Cheques on other banks	Balances due from banks in Canada	Due from banks elsewhere	Government securities	Canadian municipal British and foreign Securities	Railway and other bonds and stocks	Call loans in Canada	Call loans elsewhere	Other current loans in Canada	Other current loans elsewhere	Loans to Municipalities and to provinces	Non-current loans	Real estate other than premises	Mortgages on real estate	Bank premises	Letters of Credit	Deposit for note circulation	In central gold reserves **	Shares of and loans to controlled companies	Other assets	Total Assets
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	31,082,736	55,797,906	3,107,615	917,092	35,330,406	97,218	17,037,031	85,821,380	32,559,661	4,808,076	24,985,898	156,485,815	242,606,096	52,660,778	26,725,061	2,018,412	757,171	1,186,370	11,800,000	12,711,817	1,463,197	16,000,000	2,953,238	489,648	819,402,631
Nova Scotia	9,224,517	7,326,524	871,304	1,917,008	9,260,407	1,507	3,722,412	25,887,815	11,535,595	13,205,903	29,447,423	16,090,864	76,325,457	20,597,731	5,527,646	359,260	22,705	126,344	6,908,680	6,299,368	488,871	5,500,000	.....	120,434	250,767,787
Toronto	451,193	4,403,597	472,510	137,717	6,365,738	.....	3,253,705	14,496,456	2,795,453	4,376,231	12,953,343	.....	60,583,360	.....	2,998,162	135,459	.....	163,377	3,315,073	2,085,761	264,478	3,555,866	.....	.....	122,807,489
Provincial	197,719	565,470	504,295	83,297	2,027,806	2,474,027	225,008	6,166,827	2,108,341	4,665,966	10,290,715	.....	17,223,567	.....	1,589,127	157,595	538,403	349,402	1,901,475	12,580	200,400	.....	.....	229,689	51,511,715
Commerce	10,247,957	11,408,717	1,772,625	1,243,516	22,382,786	2,695	17,816,857	52,854,974	24,908,147	10,159,670	30,313,674	30,661,152	194,891,126	28,518,018	24,014,611	2,726,242	2,289,287	1,117,590	11,805,969	15,155,680	1,000,000	11,500,000	1,775,802	359,276	508,926,381
Royal	11,592,283	18,736,603	3,367,658	16,423,094	29,283,452	1,328	25,628,709	80,106,334	32,282,038	18,757,475	41,161,292	49,561,765	216,404,403	170,762,353	9,739,005	2,550,428	1,896,571	1,414,076	14,513,390	34,796,107	1,300,000	9,000,000	2,364,941	466,670	792,109,987
Dominion	2,143,299	5,669,553	803,565	220,372	7,671,223	.....	1,924,553	15,955,142	4,997,490	2,461,459	13,877,083	4,485,400	59,667,666	3,135,318	1,021,796	217,675	42,317	36,948	5,717,281	4,007,029	312,325	1,700,000	.....	201,867	136,269,373
Standard	512,444	3,501,543	457,986	110,193	6,239,121	.....	542,791	9,056,405	2,961,936	3,566,364	13,281,990	.....	46,472,436	.....	2,789,143	434,700	327,000	236,354	3,892,796	467,136	250,000	1,500,000	.....	102,488	96,702,834
Nationale†	941,094	2,656,138	1,234,885	259,164	5,358,736	409,900	1,041,370	23,117,466	17,152,273	1,262,212	9,304,419	.....	63,353,052	27,660	9,202,552	179,485	1,233,648	905,650	5,557,839	843,700	282,113	7,200,000	.....	296,828	151,820,195
Imperial	1,008,094	5,944,006	889,435	339,964	7,388,965	634,140	1,887,447	15,058,091	8,012,777	320,973	14,705,448	3,200,000	55,411,916	.....	8,981,600	288,454	584,607	674,611	5,213,257	912,049	340,146	3,764,466	.....	374,365	135,944,821
Weyburn Security	21,920	43,453	28,620	7,159	59,390	559,153	94,268	948,620	153,832	311,972	.....	.....	2,941,209	.....	107,507	39,987	164,705	171,080	259,792	.....	28,358	200,000	.....	80,163	6,221,195
Total	67,423,256	116,053,510	13,510,498	21,658,576	131,368,030	4,179,968	73,174,151	329,479,510	139,467,543	63,896,301	200,321,285	260,484,996	1,035,880,288	275,701,858	92,696,210	9,107,697	7,856,414	6,381,802	70,885,552	77,291,227	5,929,888	59,920,332	7,093,981	2,721,428	3,072,484,408

**Of this deposit, $21,170,333 is in gold coin; the balance is in Dominion notes.

*The business of the bank in Paris, France, and in San Francisco, U.S.A., is carried on under the name of local incorporated companies and the figures are incorporated in the above statement. Footnote to Bank of Montreal return.

*The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the bank in Paris. As the entire capital stock of the Royal Bank of Canada (France) is owned by the Royal Bank of Canada, the assets and liabilities of the former are included in the above return.—Footnote to Royal Bank return.

†The assets and liabilities of the Banque Canadienne Nationale, France, same being considered a branch operating as a subsidiary of the Banque Canadienne Nationale are included in above return.—Footnote to Banque Canadienne Nationale return.

Department of Finance, Ottawa, November 10, 1927.

An Example of Remarkable

GROWTH

The Circulation of MacLean's Magazine

1917	-	30,000
1925	-	90,000
1926	-	100,000
1927	-	115,000*
1928	-	140,000**

* November, 1927, the circulation guarantee is 100,000 net paid A.B.C. The actual distribution is over 120,000 copies.

** Beginning October 1st, 1928, the circulation guarantee is 140,000 net paid A.B.C. The actual distribution at that time will be over 150,000.

GREATER VALUE FOR ADVERTISERS

Every time that the increase in circulation has made necessary an advance in advertising rates, it has actually meant a reduction in milline rate.

The MacLean policy of always giving a substantial bonus circulation over and above the guarantee is appreciated by our advertisers. During the first six months of 1927 the advertising lineage as compared with the first six months of 1926 showed a gain of no less than 22 per cent.

Advertisers who buy at present prices get the advantage of the constantly increasing circulation.

Reaching Every Eighth Home

In every buying centre; in the largest as well as in the smallest cities; in fact, in every city, town and village of 1,000 population and over in Canada — outside of the French-speaking province of Quebec—MacLean's Magazine is now reaching an average of better than every eighth home.

"It Grows Because It Serves"

MACLEAN'S

"CANADA'S NATIONAL MAGAZINE"

More than a Magazine — A National Institution

Your Investments

Investment questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published in this column. We cannot extend this service to non-subscribers. A two-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write mining, insurance inquiries on sheets separate from other investment inquiries.

Equipment Trust

Enclosed circular from Investors Research Bureau recommending purchase of Equipment Trust Corp., Class A.

They even send me a telegram.

When you are requested by telegraph to speculate in stocks about which you know nothing, you may rest assured that the proposition is highly dangerous, to say the least.

Windsor Arms

I shall be glad to have your opinion of the 6½ per cent., 1947 bonds of Windsor Arms Hotel, as an investment.

The 6½ per cent. mortgage bonds of Windsor Arms, Ltd., are a business man's investment. This company is constructing a modern apartment hotel comprising 94 suites in a good residential district in the city of Toronto.

B.A. Oil

I would be very glad if you would advise me if you think the following are a good buy for the next year on a basis of the present markets: British American Oil, Alberta Pacific preferred, Alberta Pacific common, Manitoba Power, Power Corp. of Canada.

We wish to congratulate you on your selection of stocks with interesting investment and speculative futures. We believe that investment in the five stocks you mention should be satisfactory.

Hamilton Dairies

Will you please write me your opinion of Hamilton Dairies stock for purely investment purchasing? I also would like your opinion of Bell Telephone and Consumers Gas.

The common stock of Hamilton Dairies can hardly be considered a pure investment, although it has its speculative possibilities. The preferred stock of the same company should be satisfactory.

Consumers' Gas, in our opinion, is one of the premier investments in Canada.

Bell Telephone stock is also of high character.

Brantford Cordage

I would appreciate your opinion of Brantford Cordage. I bought fifteen shares about three weeks ago at 22½ and notice that they have dropped back a little since then. Is the outlook for this company likely to improve?

We understand that the Brantford Cordage Company's plants have been operated at close to capacity until recently. The output is satisfactory, with regard to volume, but the general price level is not as high as it should be. On the whole, however, the outlook for the investor in this company may be fairly good if he is willing to be patient.

Fanny Farmer

Please give me your opinion of Fanny Farmer as an investment.

You do not say whether you are contemplating purchasing the preferred or common stock of Fanny Farmer.

The company should be able to maintain its dividends on the preferred stock, and as an investment for income the outlook is promising.

The common stock has interesting speculative possibilities.

The company is expanding as rapidly as is consistent with the size and growth of the community in which the shops are situated.

Canadian Royalties

Re Canadian Royalties, Ltd.

Is this company thoroughly reliable?

I have to select my investments very carefully. Would you recommend investing in machines of this company?

As you have to select your investments very carefully, we would advise you against purchasing one of the stationery machines of the Canadian Royalties, Ltd. The venture is speculative and has a number of objections, even from the viewpoint of the person who can afford to speculate.

Montreal Power or Shawinigan or some other of the standard common stocks probably would be a more satisfactory investment in the long run.

Cosmos Common

I have $500 which I thought I would put into Cosmos Imperial Mills common. Do you think I am right?

Please advise what you think best for me. I also hold fifteen shares I bought at 44. Should I sell or hold?

If you are in a position to invest money from which you expect no immediate return by way of dividends, you probably could not do much better than buy the common stock of Cosmos Imperial Mills. The company is an attractive long hold investment of a semi-speculative character.

Eastern Dairies is apparently continuing to make satisfactory progress and there appears to be no reason why you should sell your stock at this time.

Wright Axle

Do you consider the Wright Flexible Axle Automobile a good investment? Would you please tell me something about Federated Investment Company preferred stock?

We do not regard the Wright Flexible Axle Automobile as an investment, or even as a wild gamble. We think you would be well advised if you refrained from placing any of your funds in this organization.

We appear to have no information on the Federated Investment Company. Is this the correct name of this organization? If it is, would you write us a note, letting us know where you heard of this company and we shall obtain some information for you.

Hayes Wheel

On your suggestion I bought five shares of Page-Hersey tubes at 56. I also bought on reading favorably of it in The Financial Post five shares of Laura Secord preferred at 109.

I have noticed favorable comment, but no out-and-out recommendation to buy Hayes Wheel and Forgings. This stock has been brought to my attention by a broker. Would you be good enough to give me your opinion of it? I am willing to assume a common stock risk if the company is doing well, is well managed and has good prospects.

The common stock of Hayes Wheel & Forgings, should be a reasonably good investment of a speculative nature.

Winnipeg Electric

Would you please let me have your opinion on the following stocks as regards their possibilities of appreciating over a number of years: Winnipeg Electric common, Commercial Alcohol common, Power Corporation common.

We are of the opinion that Winnipeg Electric common and Power Corporation common are two stocks which have good possibilities for appreciation in the course of the next few years.

Commercial Alcohol, Ltd., was incorporated in December, 1923, to produce alcohol, part of which was to be sold to distillers and the remainder to industrial users. The company has never made public its balance sheet or income account so that definite information as to its progress is lacking.

Massey-Harris

Are there any good buys on the market now for the long pull? I wish to get in half a dozen stable, solid stocks for an increase over a period of a year or two or three. I would rather wait if you think that purchase may be more advantageous a few months hence.

What do you think of Massey-Harris common?

Six stocks which have achieved a degree of stability and which are of companies in position to progress with the forthcoming progress of the country are, in our opinion:

Power Corp. of Canada.
Montreal Power.
British American Oil.
Massey-Harris Co.
Imperial Tobacco Co.
Alberta Pacific Grain Co.

Crescent Creamery

I have ten shares of Crescent Creamery preferred which I bought at 99. I would like to know if it is a sound investment. Could you let me know the market price for it, as I have not been able to get a quotation on it for some time?

The investment house which sold you this stock have maintained a market for the issue. The present price is between 99 and par. The control of the common shares of the Crescent Creamery is now held by the Eastern Dairies Limited. Both the subsidiary company and the parent company have made satisfactory progress over the past year.

Thus, we believe that our Crescent Creamery preferred is a satisfactory hold for a business man. As you say, the shares have a good yield.

National Milk

Will you kindly forward any information that you can regarding the 6½ per cent. first mortgage bonds of the National Milk Products Co., Ltd., due Sept. 15, 1946. We understand that a bonus of half share common stock is given with each $100 bond and that the stock is traded on the unlisted section of the Toronto exchange at about $12 per share.

The first mortgage bonds of National Milk Products, Ltd., 1946, should be a satisfactory investment, except on the score of marketability. The issue is somewhat small and there might be difficulty in selling if the holder found it desirable to sell. The stock is traded only over the counter market. The stock is not traded on the unlisted section of the Toronto Stock Exchange.

Roby's Products

Could you give me information concerning Roby's Products, Ltd.?

We have received this information concerning Roby's Products, Ltd.: The company is a successor to the International Graphite Corp., which is or has been a manufacturer and distributor of graphite paints and other graphite products. The head office and factory are in Montreal. The company's products include machinery, non-corrosive, fire-proof, accident-resisting and other similar graphite paints, used in pulp, paper and textile plants and for automobile engines, locomotives and similar machinery.

The report indicates that the corporation's outlook is not altogether unpromising. At the same time, it should be remembered that all young companies are speculative enterprises and that the comparatively small proportion which achieve success only do so as a rule after a number of reorganizations.

Eastern Steel

One of my customers has purchased 10 shares of the preferred stock of the new company called Eastern Steel Products, Ltd., with which he has been given a bonus of common shares.

Will you kindly advise me what you think of this company, and if you consider it a good investment?

Preferred stock of the Eastern Steel Products, Ltd., is a business man's investment. The company is a recent amalgamation of the Metal Shingle and Siding Co., and the A. B. Ormsby Co., Ltd., with branches in Preston, Montreal and Toronto. Sales have shown a steady increase during the past five years and the liquid position of the company is satisfactory.

Spanish River 8's

Spanish River 8's, 1941, at 107, look cheap, but the company made a bad showing by their last account, and there are a number of subsidiary company bonds, which are guaranteed, that one feels afraid, although I hear the company holds splendid properties. What is your opinion of this bond?

Spanish River eight per cent. bonds, due in 1941, are a sound investment. The last financial report of this company shows that these bonds are amply secured. In view of the amalgamation with Abitibi, it is possible that there will be a change in the capital structure of the two companies, whereby these bonds may be retired. The yield is high in view of present money rates.

Gold and Prices

Please give your opinion as to what effect on prices of commodities and securities the decrease on gold output which confronts the world, unless new important discoveries are made, will have?

It is the opinion of economists who take the whole world as their province that during the next two or three decades some shortage of gold throughout the world is likely to be felt. They base their conclusion upon the promise that the new output of gold is likely to be insufficient to meet the monetary requirements of expanding trade. Should this actually occur, they think, the outcome would probably be a persistent downward trend in the level of prices accompanied by its customary ill effects on industry and trade.

You will observe that this is a somewhat remote contingency and it is possible that by adopting some plan of stabilizing the purchasing power of gold that this downward trend in prices may be avoided.

The Midland Bank Limited, 5 Threadneedle St., London, E. C. 2, England, has published a number of discussions on this question in recent copies of their Monthly Review and no doubt if you write to them, particularly if you mention The Financial Post, they would be pleased to send you copies of these reviews without charge.

Oil Stocks

I am thinking of putting some money in oil stocks—ten shares of each of the following: Standard Oil of New Jersey, B. A. Oil, Imperial Oil, McColl, International Pete., also Imperial Tobacco.

We think that over a term of three years investment in ten shares of each of the six companies you mention would result happily. We do not pretend to give information concerning United States companies about which we have no direct information, but the record of Standard Oil of New Jersey is such that the investor need hardly hesitate if he is willing to be patient, as apparently you are.

The other oil companies you mention are in the Canadian field, and insofar as the refining and distributing end of the industry is concerned, we think that the next three years will be highly prosperous for them.

International Petroleum, of course, is affected to some degree by the surplus of production of crude oil, but it is known that the company is able to operate at a profit under existing conditions and in these circumstances, the future is bright if one is prepared to admit that the surplus production will not continue. Revenues of International Pete. affect the income of the Imperial Oil, Ltd., which is the holding company.

Canadian Tobacco companies are facing an excellent future. Undoubtedly existing taxes on tobacco will be reduced eventually and there is a prospect that they will be so reduced within a short time.

Saguenay Pulp and Paper

Will you kindly tell me if the shares of the Saguenay Pulp & Paper Company are of any value?

The Saguenay Pulp & Paper Company went into voluntary liquidation last June by consent of the shareholders and the entire property of the company was transferred to the Quebec Pulp & Paper Mills Limited, in consideration of 7,850 shares of the common stock of that company. The only assets of the Saguenay Pulp & Paper Company are, therefore represented by these shares. Their exact value cannot be determined at this date but it is said that after paying off claims for legal expenses, etc., incurred in the liquidation, the amount available will not be sufficient to meet the claims of the preferred shareholders, and the common shares of the Saguenay Pulp & Paper Mills are, therefore, of no value.

As to the value of the block of common shares of the Quebec Pulp and Paper Mills, in August last the Quebec Pulp and Paper Mills sold the whole of their property to Price Bros. & Co., and the Port Alfred Pulp & Paper Corp. The purchase price of the property was $3,000,000 cash, and $7,000,000 preferred stock in a company to be formed by the purchasers. Holders of the preferred stock of the Quebec Pulp & Paper Mills were given several options as to the amount of cash and amount of preferred stock in the new company they might receive in exchange for the surrender of their shares. These options expire December 15. Until it is known what amount of cash the preferred shareholders decide to accept for their holdings it will be impossible to determine what portion of the $3,000,000 will be available for distribution among holders of the common shares of the Quebec Pulp & Paper Mills and, therefore, the amount to be apportioned to the 7,850 shares held by the Saguenay Pulp & Paper Company.

If you desire further information on this rather involved transaction we would suggest that you write E. A. Bertrand, assistant liquidator of the Saguenay Pulp & Paper Company, 112 St. Johns St., Montreal.

International Paper

Can you give me any information on International Paper Co. stock, both preferred and common. I would like to know the capital structure of same, dividend record, if any, and what you think of a purchase of the common shares at the present prices, with a view of holding for an appreciation in price.

The last balance sheet of the International Paper Company shows a total bonded indebtedness of $122,700,000, but this includes bonds of wholly owned subsidiaries such as the Gatineau Power Company. The bonded debt of the International Paper Company itself is some $72,000,000 only. The preferred stock outstanding totals $50,000,000 and there are $1,000,000 shares of no par value in the hands of the public.

The 1926 income account of the company showed that earnings on the preferred stock amounted to $11.34 per share. Earnings on the common stock last year amounted to $2.15 per share and during the year dividends paid out amounted to $1.

Dividends have been paid regularly on the seven per cent. preferred since the stock was issued two or three years ago. But comparisons with previous years are more or less futile, due to the gigantic growth, which the company has experienced recently. Total assets at the end of 1924 amounted to just over $102,000,000. At the end of 1926, the total assets had jumped to $230,000,000.

The first dividend payment on the common shares of the company since 1899 was made on August 16, 1926. The present dividend rate on the common is $2.40 per share.

The unattractive features of the International Paper Company's preferred and common are obvious. The company is in the middle of a tremendous program of expansion and earnings are not largely over dividend requirements.

The attractive features of the International shares are not so obvious but they are very real. The company now owns outright immense assets in this country, upon which no bonds have been issued. In addition, the equity which it holds in such wholly owned subsidiaries as the Gatineau Power Company is extremely valuable. Thus, when the company's new subsidiaries and enlarged assets in this country get on a greater earning power basis, it should result in a decided increase in income to the company. The International Paper is now developing a large power site in New Brunswick and is to erect another large newsprint mill in that province. Also it lately acquired the Newfoundland Power and Paper Company's plant. Its new large newsprint mill on the Gatineau has only just got into operation. From this you can see that the International Paper is just beginning to benefit from its extremely valuable Canadian assets. In the Southern States, the company is also expanding.

From the foregoing, you can see that the preferred shares of the company are a satisfactory purchase for a business man. The common shares are a speculation, but they are a speculation which is decidedly attractive if held for appreciation over a term of years, for the potential earning possibilities of the company, we believe, are gigantic.

We believe that the earnings of the International Paper Company will show increases in the future.

Alberta Challenges All Canada to Title of Prosperity's Home

Threshing Returns Are Exceeding All Earlier Hopes

MUCH MONEY TO SPEND

Salesmen Crowd Hotels, Seeking Share of Province's Newly Increased Buying Power

From Our Own Correspondent

CALGARY.—Reports from all over the province indicate that threshing returns from Alberta's crops surpass all previous expectations. This province may finally produce two hundred million bushels of wheat in 1927, an average of around thirty bushels to the acre. Grades in some cases will be a little disappointing, for although the grain is full weight and of good milling quality, some damage was done by wet weather between cutting and threshing. Not much grain will go tough or damp, for fine, dry windy days took out of the crop the moisture absorbed from the rains that immediately followed cutting.

The outside world is evidently beginning to realize that Alberta has experienced the most prosperous year of its history, and that there is more money in this province to be spent than ever before. Calgary hotels are filled with commercial travelers and other visitors from outside, eager for a share of the province's business. Bond salesmen are out in the country, for it is the belief of investment houses that millions of money from this year's crop will be tucked away in financial securities.

Pool Enthusiasm Slackens

The large crop appears to be bringing a slackening of pool enthusiasm. A farmer with only a small quantity of wheat to sell may not be much concerned with a few cents a bushel, but a man who has five or ten thousand bushels to dispose of is very much concerned with getting the highest possible price. From several points come reports that pool canvassers are having difficulty in getting renewal contracts signed. It is not that there is any particular grievance or complaint against the management, but rather a determination on the part of individuals to conduct their own selling for themselves. A man with only a single carload of wheat may be content to take the pool average price, but when he has half a dozen carloads to dispose of he can strike a pretty fair average for himself by spacing his selling at different times throughout the year.

Grain Plugs Elevators

Elevators in many towns are plugged, for grain has been coming in faster than the elevators could handle it and the railways carry it away. At some places wheat has been dumped on the ground. One reason is the remarkable development this year of motor hauling. Many farmers have purchased trucks for themselves, while other enterprising persons have gone into the business of hauling grain by motor. It is a strange contrast from conditions of a few years ago to see truckloads of wheat whizzing by at twenty-five or thirty miles an hour.

Keep Pace With Conditions

The elevators of the province are keeping pace with changed conditions. Wagons and trucks are emptied at the elevator by dumping machinerv. Formerly a slow and cumbersome hand operated hoist was used, but this year scores of dumps operated by compressed air were installed. A teamster may be willing to give his horses a little rest while the machinery works, but the operator of a truck wants to unload and be off again without delay, and rapid service is an important element in bidding for his business.

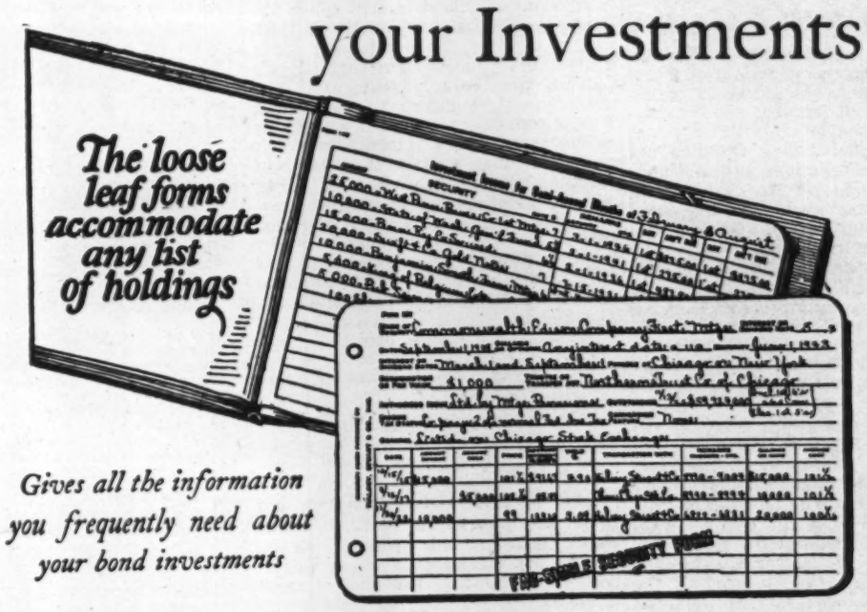
Many cars of Alberta oats are being consigned to points in Manitoba where the oat crop was short this year.

Hog Markets are Weaker

There has been some slackening in the demand for Alberta hogs from the packing plants in Washington and Oregon, and as a result hog markets here have weakened in sympathy with eastern markets. At times they have dropped below the Winnipeg level, instead of being maintained well above that level as was the case for many months. Cattle markets are good. Alberta plants are killing beef for shipment into the United States, and in addition a number of shipments of live cattle have been made to southern markets.

If there is any part of Canada which feels better pleased with conditions as they are now, or which has greater confidence for the future, people in Alberta cannot imagine where it can be. About the only people worrying are the loan company offices. Their trouble is not the collection of money, but wondering how they can invest again the money that is beginning to trickle in to them, and that will soon be flowing in a steady stream.

A Complete Record of your Investments



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SAVE trips to your safe deposit box; have all the information you ordinarily require concerning your bond investments entered in this handy loose-leaf record. Keep it in your desk.

Through studying the use of this record by investors, we have so arranged and simplified the forms that anyone can fill in the data in a minimum of time.

Then you have a complete record of the essential details of your bond investments—maturities, interest dates, optional features, etc.

We shall be glad to send you a binder containing sufficient loose-leaf forms for the ordinary investor's holdings—more if you need them—entirely without obligation.

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For investors who live at too great a distance from our offices to be called upon by our representatives, we maintain a competent staff, trained to give as efficient and satisfactory service by mail as could be rendered through personal contact. Write to our nearest branch office if you are interested in knowing the full details of this service.

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INTEREST TREND IS SEASONABLE TALK FOR MANY

Insurance Officers Will Hear Much of Subject at Meeting

Economists, bankers, business men and brokers will all be listening in, when the Dominion Life Officers' Association holds its annual meeting in Toronto on November 18th. Not only are the Life Insurance officials going to discuss the regular routine business which must accumulate throughout the year, and not only have they on their agenda, a review of the various deliberations of the International Congress of Actuaries held in London, this summer, but in addition they have announced that they will partake of that delicious morsel of academic and financial controversy—the trend of interest rates.

The high spot in the discussion will be an address by Professor R. A. Freeman, of the University of Western Ontario, London. This will be followed by short talks on the part of several leading life insurance officials. The reason that makes the topic of keen interest at the present time, is the fact that the drop in interest rates is causing concern among those who are entrusted with the investment of the enormous sums of money that are annually placed in the hands of the companies by policyholders.

When Interest Drops

That this drop has already made its mark on the average yield of insurance investments, becomes immediately apparent when one considers the average yield on mortgages and securities over the past year or so. For instance, in the United States, time-money interest rates have an index number at the present time of 100 as against a similar index a year ago of 114.3.

There seems to be a general feeling among insurance men, that if present conditions continue, the high earning record of the past few years will be materially lowered, and that sooner or later, dividends on participating policies will have to be reduced.

On the other hand, the exceedingly high yield that has been characteristic of investments made during the past ten years, will offset materially, the lower rate that is being received at the present time. For every $10,000,000; $15,000,000 or $20,000,000 that is being invested by the companies today, at the 4½ per cent. level, there is probably five times as much capital well-invested to yield 6 per cent. for at least 15 or 20 years to come.

To Foreign Fields

Already the lowering rate has had one important effect upon insurance investments, in that insurance companies have been driven to the foreign fields for their securities. Companies that maintained their investments strictly along domestic lines, have been turning of late to foreign bonds where fairly high rates still prevail.

Business men, financiers, and economists who have studied this question of interest rates, usually form their own opinions as to what the future holds in store, but as a rule, none are so bold as to venture a prediction as to what will actually happen. Nevertheless, the subject is of tremendous interest to student and financier alike, and the timely introduction of the subject into the agenda of the Life Officers' Association annual meeting, should be productive of much interesting information and discussion.

Romance of London's Trade and Finance

By LEONARD J. REID, in the Bankers' Magazine

England, we are told, is the riddle of the nations. She does nothing according to plan; there is no logic in her activities. The fact that she has an unwritten constitution provides the key to her ways of life. Such is briefly the traditional view. There may or may not be much to be said for it. But this at least is not easily disputed: Some of England's leading commercial and financial institutions have "just happened." They frequently seem to have been founded almost by accident and certainly with no perception of the important part that they play in our contemporary economic organization. Let us, then, glance at the way in which the Royal Exchange, Lloyd's and the London Stock Exchange survived an unpromising nativity and developed into organizations of international repute.

Royal Exchange

On the afternoon of January 23, in the year 1571, Queen Elizabeth drove from her Palace of Somerset House to dine with Sir Thomas Gresham. She was on her way to open Sir Thomas Gresham's new Burse. What passed between her and Sir Thomas at dinner is not recorded, but doubtless she whispered her intention to dignify his exchange with the epithet of "Royal." The Royal Exchange was "a great thing in the history of London and a definite help to the commerce of England." It became at once the meeting place of merchants and the promenade of men of fashion. In the daytime, grave people of business paced its floors, adjusted their disputes and engaged in transactions with outlandish people from all the then known countries in the world. In the evening, the butterflies of fashion frequented the gaily lighted shops of the Pawn—the gallery of the Royal Exchange — where all that they could desire, from lace, glass, strange curios, to that queer new invention—the common pin—was laid out to attract them. Thus for 90 years the Royal Exchange played its important part in the life of London.

In 1666, it was swept away by the Great Fire. Starting early on Sunday morning, September 2, the blaze raged until the afternoon of September 6 and destroyed the greater part of London. Pepys, the famous English diarist, describing the Royal Exchange after the fire says: "A sad sight, nothing stands here of the status and pillars, but Sir Thomas Gresham's picture in the corner." Sixteen days after the Great Fire had broken out a committee was formed to rebuild the Royal Exchange. Almost within a year there was another royal procession, Charles the Second riding on horseback to lay the first stone with the usual ceremonies. Despite the architectural beauty of the second Royal Exchange, it did not hold the same importance as the first exchange had done in the days of Queen Elizabeth. "Coffee houses sprang into a rapid popularity and the merchants drifted to them more and more for the interchange of business. The shops (of the exchange) became difficult to let and rents dwindled away. Over the exchange there came to hand an air of disuse and squalor." An old writer tells us that "instead of the assembly of honorable merchants, substantial tradesmen and knowing masters of shops, it was frequented by the mumpers, the halt, the lame and the blind, or vendors of trash — apples plums...." But the second Royal Exchange was not built in vain. It was in this particular building that Lloyd's —known throughout the world's maritime and trading circles—found its first home worthy of its importance. When and how will be related presently.

Meanwhile, we must record that in 1838, the second Royal Exchange shared the fate of the first. Fire broke out on the night on January 10 —a night of such a hard frost that the very water from the fire engines froze in mid-air. It seems as if some freakish spirit of humor lurked about the burning building, for while the tower was yet tottering, the bells started playing. "There is nae luck about the house" and then fell with a crash into the flames below. The destruction was almost complete, the few remaining relics testifying by their paucity to the completeness of the disaster. The work of restoration was quickly taken in hand by the Mercers' Company and the City Corporation and before the decade was out the Third Royal Exchange was opened by Queen Victoria and the Prince Consort. During the century, the exchange assumed gradually increasing importance; for instance it was—and remains—the domicile of an expanding insurance company. But it was the growing importance of Lloyd's that perhaps chiefly distinguished it. The story of Lloyd's is the subject of our second chapter.

Lloyd's

Toward the latter part of the seventeenth century, a Welshman, named Edward Lloyd, kept a modest coffee-house in Tower Street. The first authenticated reference to its existence is found in an advertisement which appeared in the London Gazette of 1688, and it is clear from this and other contemporary documents that Lloyd's patrons were largely seafarers. The coffee-house, being near the docks, was a convenient place of resort for shipmasters, whose presence naturally attracted underwriters in search of shipping news. But Edward Lloyd was a shrewd man of business and saw the possibility of attracting the custom of the wealthy city merchants by moving westward. Accordingly, in 1692 he established his coffee-house at the corner of Abchurch Lane and Lombard Street. Here it was a successful business and a well-known city landmark. A poem printed in 1700, entitled "The Wealthy Shopkeeper," contains the couplet:

"Now to Lloyd's Coffee-House he never fails,
To read letters and attend the sales."

This succinctly described, we are told, "the uses to which Lloyd's was put. The house was primarily an exchange for information where underwriters circulated, for the common guidance, those shipping lists which were the nucleus of the subsequent Registry of Shipping." Beginning in 1696, these were supplemented by the publication of a commercial news sheet entitled Lloyd's News, which appeared three times a week. But publication was suspended for a period because an item of news had displeased the authorities. It was revived in 1726 and was the origin of the now familiar Lloyd's List, which, with the exception of the London Gazette, is the oldest British newspaper. Lloyd's also became an auction room for shipping.

We know very little about Edward Lloyd except that he was married three times and died in 1712. Thereafter, the coffee-house was controlled by a committee of its patrons. In little more than half a century after its founder's death, Lloyd's had outgrown its second home and was compelled to search for fresh quarters. Thus, in 1770, a move was made to Pope's Head Alley, but from the outset this was recognized as a temporary abode. Nevertheless, there was some difference of opinion regarding the next step. But a forceful spirit, John Julius Angerstein, said to be a Russian, solved the problem, for he took vacant rooms in the Royal Exchange and confronted his committee with this fact. Thus, in 1774, the coffee-house coterie moved into rooms in the Royal Exchange, the history of which we have already traced. Angerstein deserves more than passing notice. He was a pioneer, if not the actual founder, of our lifeboat system; he financed the Veterinary College. Into his fine house in Pall Mall he gathered a collection of great paintings, which, after his death, were purchased by the government for £57,000 and became the nucleus of the National Gallery.

Royal Exchange Home of Lloyd's

For upwards of 150 years the Royal Exchange has been the home of Lloyd's. Yet its descent from a coffee-house is a well-remembered fact. Indeed, until as lately as 1918, a government department was in the habit of addressing communications to Lloyd's Coffee-House, Royal Exchange, E.C. Some of the envelopes are retained as mementos. But Lloyd's has once more outgrown its quarters and two years ago the King laid the foundation stone of its new home, a large building in Leadenhall Street, which will be completed shortly. Some of the more interesting features of present-day Lloyd's will, however, be transferred to the Leadenhall Street building. These include the Lutine Bell, which sounds twice when news is received of the safety of an overdue ship, while a single note is heard when it is known that a ship has been lost. This bell was taken from the "Lutine" — a thirty-two-gun French frigate captured by the British and afterward used to transport bullion to the Continent. She was wrecked at the entrance to the Zuyder Zee in 1799, having upward of a million sterling in her hold at the time, of which part has been recovered.

To-day, the services which Lloyd's, cradled in a coffee-house, render to shipping and overseas trade are "manifold and important. Their agents and sub-agents abroad, who number over 1,500, provide a continual flow of information of the highest value....He (the agent) must, in brief, befriend the shipmaster, assist the merchant and protect the underwriter against fraud." In addition to the Register of Shipping which, though now separate, is a closely allied concern, Lloyd's issues "Lloyd's List" and other invaluable publications.

The London Stock Exchange

The history of Lloyd's is a reminder that Britain has long been famous in the annals of the sea; and she is not less renowned in the field of finance. The London Stock Exchange has been described as the hub of the world, the nerve-centre of the politics and finances of its nations, the barometer of their prosperity and adversity." Yet the earlier years of stock-broking in London gave small promise of the present-day pre-eminence of the London Stock Exchange. The word stock-jobber, it is said, was first heard in 1688. At any rate, by the end of the seventeenth century it was the custom of the stock-jobbers to frequent the Royal Exchange. Its principal business, as we have seen, was then merchandise, but an old print shows that a special "walk," as it was called, was reserved for the use of "brokers, etc., of stocks." In these early years, the volume of business was not large, being chiefly confined to government securities. It is recorded that in 1695 they made its walls resound "with the din of new projects." At length, indeed, the merchants objected to the noise and numbers of the stock-jobbers, and thus in 1698 the majority of the latter withdrew from the Royal Exchange.

Their chief place of refuge was the near-by Exchange alley—a suitable open space, undisturbed by traffic, with convenient coffee-houses. Among the most famous coffee-houses were Jonathan's and Garroway's and these —especially the former—became the resorts of the more respectable stock-jobbers. It was after rather more than 20 years' tenancy of the alley that the memorable South Sea Boom occurred. The city—the financial interests—went mad; stock-jobbers ran from coffee-house to coffee-house inviting subscriptions to the great bubble and to the multitude of lesser bubble companies. Exchange alley was filled with a strange concourse and a ballad-monger of the time tells how the nobility vied with the meaner rabble "to buy and sell, to see and hear." In 1748, a great fire devastated the alley, but the stock-jobbers quickly resumed business. Among this period much ink was used in pouring abuse upon stock jobbers, for instance, one pamphlet was published "proving that scandalous trade (stock jobbing) as now carried on, to be knavish in its private practice and treason in its public!"

An Economic Necessity

But these violent tirades could not destroy a profession which, whatever its excesses, was in essentials becoming an economic necessity. A further advance in the practice of stock-jobbing was thus due. "In the course of the evolution of the profession of stock-dealing," says a leading authority, "the more respectable of the brokers found themselves using Jonathan's and by the year 1767 the coffee-house was almost regarded as the Stock Exchange....The aristocracy of the profession, who assembled at Jonathan's was really the nucleus of the present Stock Exchange organization. Amid the jealous sneers of some of their less reputable brethren, who charged them with an attempt to form an exclusive ring, they eventually, in 1773, raised a subscription and obtained control of a coffee-house at the north end of what are now called Royal Exchange Bldg's, opposite the northeast corner of the Royal Exchange, where the Peabody Statue stands. Over the door of this building was placed the inscription 'The Stock Exchange.'" It was the first building to bear the title. But even to this building, the first Stock Exchange admission could be obtained by the outsider at the cost of sixpence for a day ticket. Anyone could enter as far as the bar, from which the whole room could be seen.

But at the end of the century the jobbers became intolerant of the public gaze, and accordingly inaugurated a period of dignified obscurity which to this day characterizes the London Stock Exchange. The proprietary of the "Stock Exchange" desired to organize "a small, select and exclusive membership" from the great mass of irresponsible dealers. Hence, a group of "Stock Exchange" men acquired a central site, in Capel Court, raised the necessary capital, and founded a new institution, which, declares the deed of settlement, "is called the Stock Exchange and is intended to go under that appellation." The first stone was laid in 1801 and it was opened in 1802, with a list of about 500 subscribers. But for some years certain branches of the Stock Exchange remained outside. Many transactions in foreign stocks took place in the Royal Exchange until 1823, and much business in government securities was carried on in the rotunda of the Bank of England from 1764 until 1838. In the course of years, however, all were absorbed.

The Stock Exchange still stands in Capel Court, though the central structure has been entirely rebuilt and great extensions have been made; similarly the original constitution remains almost unchanged in principle, despite the enormous growth of business. Thus the London Stock Exchange, which is closely linked with the prosperity of the world in general and of this country in particular, has developed with the growth of that prosperity. To-day, its membership numbers some 4,000, while the nominal value of the securities quoted in the official list, though by no means all the securities in which it deals, was a few years ago no less than £16,826,000,000.

Saskatoon land sales to the end of October amount to $218,360, as compared with $116,418 for the similar period of last year.

Wheat yields are being reported that eclipse even the 1915 crop. From summerfallow, T. R. Jopling, Lethbridge, threshed 54 bushels to the acre.

SEVENTY-NINTH ANNUAL REPORT OF THE

CONSUMERS' GAS COMPANY OF TORONTO

Year Ended 30th September, 1927

Your Directors have pleasure in presenting to the Shareholders, the Seventy-Ninth Annual Report of the Company's operations, together with the Financial Statements for the fiscal year ended September 30th, 1927.

The balance sheet presents evidence of the strength and stability of the Company's financial position, and the income statement shows that the company's operations are on a sound basis.

The sales of gas during the year were the largest in the history of the Company. On September 26th last, a total volume of 19,290,000 cubic feet of gas was distributed, constituting a record output for a single day.

There were 155,730 meters connected to the Company's distribution system at the close of the year, a net gain of 3,946 within the year.

The revenues, expenses and operating results are summarized as follows:

Gross Earnings		$7,093,752.07
Operating Expenses		5,276,567.09
Net Earnings		1,817,184.98
Special Surplus Account, Oct. 1, 1926		232,514.88
		$2,049,699.86
Interest, Dividends and Plant and Buildings Renewal Fund		1,960,537.12
Special Surplus Account, Sept. 30th, 1927		$ 89,162.74

The average price of gas coal was somewhat higher during 1927 than in the previous year. A temporary increase in wages paid to workers at the mines for a period of three months, was, in accordance with the terms of the Company's contracts, added to the contract price of coal.

The price obtainable for residual ammonia has declined considerably during the past two years, due to the production of ammonia by synthetic processes. The loss of revenue resulting from this situation during the last year, has amounted to $45,500.00, and it is estimated that, during the coming year, the loss from this source will reach $58,750.00.

As stated in previous reports, the taxes levied upon the Company by the Dominion, Provincial and Municipal authorities continue to grow. In the year 1927, taxes amounted to the sum of $323,675.66.

The manufacturing plant and distribution system have been improved during the year, and have been maintained in a high degree of operating efficiency and excellent physical condition. The expenditures during the year for repairs and renewals have aggregated $709,170.07.

An additional unit of Glover-West vertical retorts has been installed at Station "A" and incorporated with the eight settings previously erected, forming one complete battery of nine settings. No auxiliary equipment was necessary to care for the additional manufacturing capacity provided by this extension.

Four new purifiers, having a daily capacity of 4,000,000 cubic feet, have been constructed for the coal gas plant at Station "A," replacing four old purifiers which had been in continuous service since 1899.

The installation at the manufacturing stations of the necessary pumping equipment, for the medium high pressure system of gas distribution, has been completed, and the system was put into operation on April 25th last.

The construction work in connection with the manufacturing plants and the distribution system, carried out during the past few years, has resulted in the Company being now well equipped to render throughout the large territory covered by its distribution facilities, uniform and efficient service. At the same time, adequate provision has been made for future business expansion.

The Commercial Department has continued its active sales efforts to increase the utilization of gas for industrial purposes. It is gratifying to report that industrial gas sales for the year, have increased about 15 per cent. over the preceding year, thus reflecting the measure of success which the Company has attained in developing this class of business.

The sale of gas for domestic purposes has been stimulated by the activities of the Home Service Department. During the year, 109 lecture demonstrations were held, which were attended by nearly 15,000 persons, in addition to which cooking talks and recipes were broadcast over the radio each week. This department has also rendered instruction and assistance at the consumers' homes in the use of their gas equipment. This service has resulted in many consumers throughout the city obtaining increased efficiency from their appliances.

The following statement for the past year, as compared with the preceding one shows:

	Meters	Gas Sales
Year ended September 30th, 1927	155,730	$5,426,099.66
Year ended September 30th, 1926	151,784	5,300,015.91
Increase	3,946	$ 126,083.75

All of which is respectfully submitted.

A. W. AUSTIN,
President.

Statement of Income and Profit and Loss For Year Ended September 30th, 1927

Gross Earnings:		
Gas Sales	$5,426,099.66	
Residuals Produced	1,274,331.79	
Merchandise Sold	378,877.32	
Miscellaneous Revenue	14,443.30	
		$7,093,752.07
Production, Distribution and Administration Expenses and Taxes		5,276,567.09
Net Earnings		$1,817,184.98
Interest Earnings		92,713.23
		$1,909,898.21
Special Surplus Account, October 1, 1926		232,514.88
		$2,142,413.09
Dividends	$1,200,000.00	
Plant and Buildings Renewal Fund	853,250.35	
		2,053,250.35
Special Surplus Account, September 30, 1927		$89,162.74

Balance Sheet of the Consumers' Gas Company of Toronto September 30th, 1927

LIABILITIES—SEPTEMBER 30, 1927

Capital Stock		$12,000,000.00
Reserve Fund:		
Authorized under Act of 1887	$1,000,000.00	
Premium on Capital Stock	5,496,062.95	
		6,496,062.95
Special Surplus Account		89,162.74
Plant and Buildings Renewal Fund:		
Amount at Credit, October 1, 1926	1,299,729.13	
Less repairs and Renewals	709,170.07	
	$590,559.06	
Transferred from Profit and Loss, September 30, 1927	853,250.35	
		1,443,809.41
Reserved for Dividend No. 310		300,000.00
Provision for Dominion Government and other Taxation		57,436.02
Sundry Accounts Payable		352,732.84
		$20,739,203.96

ASSETS, SEPTEMBER 30, 1927

Real Estate, Plant and Equipment	$17,568,111.72
Other Investments	1,636,237.73
Materials and Supplies	867,786.34
Cash in Bank and Offices	31,302.22
Accounts Receivable, after making provision for Doubtful Accounts	538,739.95
Interest Accrued, not due	32,792.95
Prepaid Taxes	64,233.85
	$20,739,203.96

A. W. AUSTIN, President. L.S. ARTHUR HEWITT, General Manager.

We have audited the accounts and vouchers of the Consumers' Gas Company of Toronto, for the year ending September 30th, 1927. Our requirements as Auditors have been complied with and in our opinion the above Balance Sheet sets forth a correct statement of the Company's affairs as shown by its books.

(Signed) W. E. SAMPSON, L.A.
EDMOND GUNN, F.C.A. } Auditors.

Toronto, 28th October, 1927.

The following gentlemen were re-elected Directors for the ensuing year: A. R. Auld, Esq.; A. W. Austin, Esq.; A. H. Campbell, Esq.; L. Goldman, Esq.; Dr. F. LeM. Grasett; Col. J. F. Michie; William Mulock, Esq., K.C.; F. G. Osler, Esq.; Thomas H. Wood, Esq.

At a meeting of the Board held subsequently, Mr. A. W. Austin and Dr. F. LeM. Grasett were re-elected President and Vice-President respectively.

Insurance Problems

Insurance questions of general interest, submitted by subscribers of The Financial Post will be answered in this column. Other inquiries will be answered by mail. A two-cent stamp should be enclosed to cover a direct reply.

Maritime Life

I would like some information regarding the Maritime Life Assurance Co., with head office at Halifax, N. S.

The Maritime Life is a young insurance company which has recently extended its operations into Newfoundland and the West Indies. Previously, this company confined its operations to the Maritime provinces.

The company is writing entirely non-participating insurance, and although this is the fifth year that it has been in operation, it has already in force some $4,000,000 of business. Reports that we have received from the company during the current year indicate that the business of the company during 1927 is far in excess of anything that they have done so far.

The company operates under a Dominion license and is apparently building up for itself a strong and satisfactory type of life insurance business. Hon. E. Albert Reilly is president of the company, Dr. J. C. MacDougall vice-president, and Bernard Lockwood is secretary-treasurer and actuary.

The company now has branch offices in Halifax, Moncton, Charlottetown, Newfoundland, Bermuda, Nassau, Jamaica and Leeward Islands.

Northwestern Mutual

Is the Northwestern Mutual Fire Association, with head office at Hamilton, a safe company to invest in?

This company is licensed at Ottawa under the Dominion Superintendent of Insurance and as such, we believe you would be quite safe in taking out a policy.

You must remember, of course, that the company writes business on a mutual basis, which means that instead of receiving a definite contract price, your insurance premiums will vary according to the loss experience of those who are associated with you as members of the association. This particular association issues a non-assessable policy that shows dividends which vary from 25 to 40 per cent. according to the class of list.

They have been operating now for some twenty-five years, and their experience in Canada has been exceptionally good. Last year the net premium income of the company amounted to $952,344 with a gross loss ratio of 33 per cent. and a gross expense ratio of 26.2 per cent., these figures applying only to Canadian business, altogether the net premiums of the company last year amounted to about four and a half million dollars.

Insurance Investments

Would be pleased if you will advise me regarding the Insurance Investments Limited, 347 Bay Street, Toronto. They have been recommending Great West Life Assurance Company stock, also Canadian Fire Insurance, Beaver Farm Insurance and West Chester Insurance Company of New York.

These insurance stocks look as though they might yield good profits, but I do not know anything about the Insurance Investments Limited; therefore, would appreciate a line from you in this connection, and if you know anything about the insurance companies referred to, would be pleased to have your report on them also.

We have confidence in Insurance Investments Limited, Bay Street, Toronto. This firm has developed rapidly in the last two years and has helped to create the present active market in insurance shares.

The Great West Life and the Canadian Fire are more or less associated insofar as directorate is concerned. Both companies are extremely sound and in a very splendid position. There seems no doubt that the shares of either of these companies will offer a very good return over a period of years.

Beaver Farm Insurance Co., and West Chester Insurance Co., of New York, are American companies and we do not profess to offer information regarding investments in them.

Empire Life

This week I have been given a chance to purchase some shares of stock in the Empire Life Insurance Co. These shares are offered at the price of $45 per share. I would appreciate your advice as to the advisability of making such an investment.

We believe that over a period of years this company will be able to reward its shareholders if they are content to buy the stock and put it away for several years until the company has successfully passed through its formative stage.

The stock of this company is offered as ten per cent. paid up and with a thirty-five per cent. premium, but as stated in The Financial Post a few weeks ago, we believe it is the intention of the company to shortly issue a bonus to its shareholders which will decrease the amount of that premium by $5.00, in other words the company is crediting to its shareholders the sum of $5.00 which is an indication of their desire to do the best they can for their shareholders as soon as it is possible.

As you probably know, the first five or ten years in an insurance company's life are liable to be rather difficult ones, especially from the point of view of the shareholder as under the present conditions of reserve requirements there is not much chance of a young company putting aside very much more than that which they must of necessity store away to fulfil the legal requirements. However, it seems to be a good system in that after the company has successfully gone through the mill, the financial position both from the view of the shareholder and the policy holder, assumes unquestioned strength and in the long run the appreciation to the shareholders and also the dividend and other rights that he receives makes the investment an attractive one.

If you are prepared to wait a few years we believe that you would not go wrong in purchasing the shares of the Empire Life.

The management of this company is exceedingly aggressive and we have confidence that they are building this company very thoroughly.

Commercial Travelers

Can you give me some information regarding the Commercial Travellers Mutual Benefit Society? Also I would like to know in what way this organization differs from an ordinary life insurance company?

The Commercial Travellers Mutual Benefit Society was organized in 1881 and at the end of 1925 according to the latest returns published by the Superintendent of Insurance at Ottawa it had 2,003 policies in force for a total sum assured of $2,027,350. Its total assets amounted to $367,740.92 and its surplus was $18,638.60. Being under the supervision of the Superintendent of Insurance at Ottawa it may be assumed that it will be run on sound actuarial lines.

Friendly Societies conform to a different Act of Parliament to that of life insurance companies although both are under the supervision of the Superintendent of Insurance at Ottawa. The fundamental difference between the two types of organization is that in a friendly society the members are subject to an assessment at any time for such an amount as will keep the company solvent. In the case of an ordinary life insurance company the contract is a closed one as regards the premium payments required from any policyholder which are absolutely fixed in amount for the whole duration of the premium payments.

Can. Associate Companies

What can you tell me about Canadian Associate Companies Ltd.? The firm selling the stock is A. D. Taylor & Co.

We believe that this investment offers good speculative possibilities if the purchaser is willing to wait until such time as the common shares will have acquired a definite value of their own.

The stock, as you probably know, is being sold on the basis of a share of 7 per cent preferred with a 40 per cent. bonus of common. The company is a holding company controlling three insurance companies namely. Toronto Casualty, Fire & Marine Insurance Co., Canadian General Insurance Co., and the Merchants & Employers Guarantee & Accident Company.

Most of the revenue of the holding company will come from dividends of the companies which it controls but a small amount of revenue is derived from its adjustment business. None of the three controlled companies are at present on a regular dividend basis although periodic dividends have been paid.

The management and directors are of splendid calibre and exceedingly aggressive and this is perhaps the best guarantee that could be given to an investor that over a period of years these companies will return good things to their shareholders.

EDUCATE "PROSPECTS" IS INSURANCE TIP

Expert Says It is Necessary to Teach Place of Insurance in Economics

When Elmo Calkins broke into insurance prominence through the columns of the Atlantic Monthly, he started something, and by accusing the insurance fraternity of being years behind the times in their use of advertising space, he brought down upon his head a volley of criticism and comment from the profession. Accordingly, when the Insurance Advertising Conference met a few weeks ago, the chief subject of thought was the Atlantic article.

It is no wonder then, that when Dr. Allen Albert, of Evanston, Ill., who is one of the most brilliant speakers on the continent, got up to reply to Calkins' attack, his address was acclaimed as the pivotal point of the whole conference.

Here are a few of the things that Dr. Albert said about insurance advertising.

Insurance Advertising

I think the whole project of advertising insurance depends upon two things and the first consideration is the purpose of the movement.

The purpose of any advertising campaign, honest or dishonest, will be inextricably interwoven into the result of the campaign. If the insurance companies have for the ultimate purpose of their advertising a development of service for the insured, they may hope to obtain a result proportionate to their outlay. Otherwise not.

The other consideration, it seems to me, is that advertising which is done on any large scale to develop insurance must be given its form by persons who comprehend the public mind. This is no simple matter. It is, on the contrary, an enormously complex task.

Yet it is not enough that the advertising should be thus given a proper form. It must get its substance from those who understand insurance.

Men like Mr. Calkins make the mistake, I feel, of thinking that almost anything can be sold by advertising, if the advertising is prepared by almost any advertising agent. They take the examples of simple statement and reason that almost any simple statement can be applied to a business-like insurance and made to produce results. All the teachings of a busy life as student and business man makes me suspicious of such reasoning.

Blind Mystery

Insurance men, on the other hand, are inclined to make a corresponding mistake by assuming that that which they comprehend very easily can easily be made comprehensible to other people. I know that is not true. I know that this thing which insurance men expound so confidently is blind mystery to most of their prospects and that the making of it clear will take very real ability on the part of the writer of the advertising text.

Here, obviously, are two wheels of the same machine. Neither is sufficient without the other. If the result of the advertising is to be beneficial, it must be the product of the two wheels turning together in a partnership, carefully guided, in the prospect of a continued effort through a series of years.

The gap in the present organization of insurance is the gap between the vendor and the customer. All that I have been saying can be summed up in the one statement: the insurance companies have used only one means to bridge this gap. Remembering that marvels have been accomplished, we do not dare to disregard the fact that by restricting their effort to this one means, they have left undeveloped many other means of contact with millions of customers who are not now reached.

The occupation of the full field of insurance, those important segments of the circle which are not now cultivated, is not to be attained without maintaining a helpful, enduring, trustworthy contact between the company on the one hand and the prospect on the other.

If we like, we can prevent the wastes of uninsurance. The issue rests with us. If we have the forethought to begin at the beginning, we can hope in a few years to occupy all the field of insurance—at a charge fair to the insurer and the insured alike, under conditions which will reduce the sacrifice of life and property and increase the sense of human security.

But we must begin, I believe, at the beginning.

We must begin with those who teach the place of insurance in economics. We must reach those who would learn of economies. We must reach those beneficiaries of insurance. We must be a part of that great company which sees in the pursuit of a calling primarily a means of serving humanity.

VANCOUVER LOOKS FOR LARGE SHARE OF WHEAT FLOUR

Likely That 65,000,000 Bus. or More Will Pass Through

From Our Own Correspondent

VANCOUVER.—That exceedingly trite phrase "A golden flow of grain" may have recurred as often as to be journalistically and publicly out of favor in what the West is pleased to call the effete East, but here in Vancouver it is delightfully new and significant and the newspaper style books have put no ban on it.

This year the "golden flow" is golden to the extent that it has made Vancouver at present the greatest buyer of tramp ship space on the Pacific Ocean.

San Francisco and Puget Sound ports of the United States are not in the picture with Vancouver as this season's grain traffic gets properly under way.

Must Have Space Booked

During October, 54 grain charters on the Pacific Coast were reported. Vancouver fixed 48 of them. That is to say, out of 54 ships booked during October to load this winter, 48 of them are due to come to Vancouver.

Including lumber, time charters, miscellaneous and oil tankers, ship fixtures for the month of October for the entire Pacific Coast from California to Prince Rupert totalled 76. Of that number 57—and possibly some of those designated merely as "North Pacific"—were engaged to carry freight from Vancouver and other British Columbia ports.

As this is written Vancouver grain storage space is nearly full. Theoretical capacity is about 7,000,000 bushels but working capacity is nearer to 6 250,000 bushels. Although the flow of grain is closely regulated by a permit system maintained by the Canadian Pacific and Canadian National railways the uncertainty of deep-sea ship arrivals and the comparatively small amount of storage accommodation in Vancouver makes some congestion almost inevitable.

Under the permit system no grain is accepted by the railways for Vancouver delivery unless the shipper can satisfy the railway agent that he has made arrangements to load out the grain promptly or very soon after arrival in Vancouver.

It will readily be seen that Vancouver thus is not in a position to do much business with the small individual shipper and practically none with the farmer who wants to bring in his grain and hold it in storage until he thinks the selling is good. Occasionally, when there is ample space in the vators, the railways become lenient and allow privately owned grain to go through to Vancouver without proof of export arrangements. But such cases are exceptional. The grain must ordinarily be sold or consigned to a private elevator.

There is a periodical outcry in Vancouver against the permit system. It is claimed that the embargo system of the eastern route would be better and that with the rule practically compelling all grain to be sold before it comes to Vancouver operative, Vancouver's earlier plans to build an active cash grain exchange will be aborted.

Vancouver Has Cash Exchange

There is a grain exchange in Vancouver, operating on a section of the Vancouver Merchants' Exchange floor and under the aegis of that commercial organization. It has a regular morning session, there is a call of prices which have been agreed upon by a price committee of representative grain traders in whom their confreres have confidence, and usually a little trading.

It is in no sense independent of Winnipeg, however, and Winnipeg's prices are the basis for fixing the Vancouver prices.

When the Western grain route was bidding for grain Vancouver paid a premium for its wheat. Sometimes, in competitive areas on the prairie provinces, that premium was as high as 5 or 6 cents over Winnipeg's prices.

This year, with reduced freight rates on grain to Vancouver and with plenty of grain offering to take care of export requirements, Vancouver cash grain—that is to say, grain in store in Vancouver or enroute and nearby—is selling for 1 to 3 cents less than the Winnipeg cash price.

How much grain will Vancouver ship this season?

There are numerous estimates ranging from 50,000,000 bushels to just double that. Probably 65,000,000 to 75,000,000 would be a fair and reasonably optimistic guess—but merely a guess. Dealers are not disclosing their fixtures freely and it is not known what commitments, exactly, have been made.

It is probably right to say, however, that Vancouver will set a record this year.

Here are figures for the past few years that she has figured in the grain business of Canada:

	Bushels
1920-21	501,221
1921-22	7,035,835
1922-23	19,155,066
1923-24	54,619,188
1924-25	25,273,579
1925-26	52,967,359
1926-27	34,972,718
1927-28 (Est.)	65,000,000

Conditions Upset in Orient

The reason your correspondent has not made a higher estimate for 1927-28 is because the Orient to date has given no indication of coming into the market for even its normal requirements of grain.

Economic conditions in both Japan and China are badly upset. It is highly probable that they will not buy a pound more wheat in Canada than they are forced to do. However, the Orient is notoriously a hand-to-mouth buyer and a market that passeth all understanding and it is still within the realm of possibility that Japan and China may suddenly start buying late in the season and lift the export totals for January and February.

Oil Royalty Companies

Tulsa, Okla, World.—The royalty phase of oil has always been regarded as one of the brightest and safest for the investor, but the formation of hundreds of new royalty firms since the Seminole, Pecos, Panhandle and other over production plays have occurred, makes one wonder if it is being overdone. Some of the new royalty firms are palpably "half-baked," and will not survive. Each new royalty firm offers competition for those already in existence, and the tactics that some of the new concerns are using do not make their efforts attractive or inviting to the investor. One could write books on what is happening in the oil royalty business, but what's the use. Like everything else the flood will soon be over and those well organized will survive and continue in existence, and those built on the sands will be swept away by their own inefficiency and preparation.

Is Healthiest Year

If the present conditions continue throughout the year, 1927 will be the healthiest one on record in Canada. The Bureau of Statistics of the Metropolitan Life Assurance Co. reports that the general death-rate has been reduced to 8.1 per 1,000, which is the lowest ever recorded.

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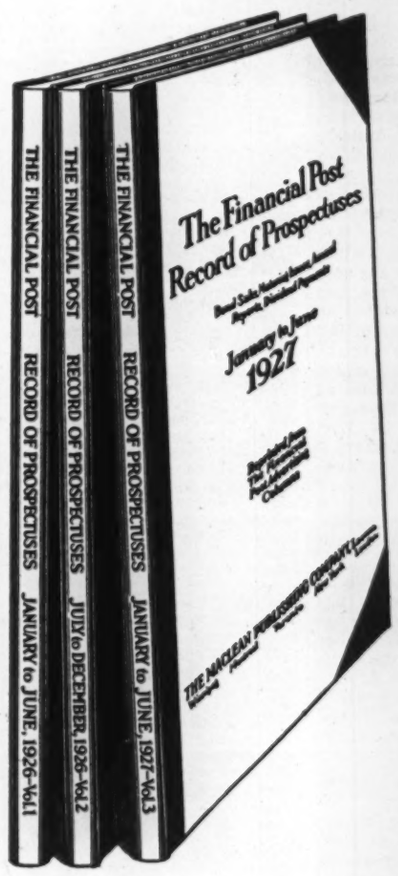

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Fifth Amongst Trading Nations is Dominion of Canada's Position, Says Trade and Commerce Head

Deviation of Export Cargoes Leads to Misunderstanding in Arriving at True Return of Trade Figures — Minister is Convinced That Country's Commercial Business is Steadily Increasing and Quotes Fact That Citizens Are Buying More Luxury Articles from Abroad Than Ever Before, in Support of Contention

By HON. JAMES MALCOLM
Minister of Trade and Commerce
An address before the Board of Trade, Toronto

"I had occasion when addressing the Canadian Club, of New York, a week or so ago, to refer to the development of Canadian trade since Confederation and pointed out that in but half a century we have moved forward from the position of a comparatively undeveloped country to the position of fifth among the great trading nations of the world, our trade being exceeded by only four great trading nations, Great Britain, United States, France and Germany.

"It is interesting to note that while Canada's growth in population is only in a ratio of three to one, our growth in every branch of economic endeavor has been many times that ratio. In trade we stand fifth among the nations of the world, while in population we stand 27th.

"We had the pleasure recently of hearing the Right Hon. Reginald McKenna, chairman of the Midland Bank in Great Britain, and a former chancellor of the exchequer, in his notable address before the Canadian Club of Montreal, in which he presented statistics to prove that the history of Canada since 1900 offers an unparalleled example of rapid economic development. Mr. McKenna closed his summary of the Canadian situation with these prophetic words, 'Canada is the country of the future and that future begins to-day.'

Future Development

"While it is interesting to glory in past achievements it is still more interesting to think of future development which will, in the opinion of men like Mr. McKenna, be so rapid and of such magnitude that the achievements of the past will be dimmed by comparison.

"I do not think that the future development of Canada will depend upon the governments of Canada, nor will it depend upon the boards of trade, nor upon the individual citizens, nor upon our great undeveloped resources, rather will it depend upon the united efforts of governments, boards of trade, and individual citizens working together as harmoniously as possible to bring to the service of mankind the wealth of undeveloped resources with which we have been endowed by Providence.

"But we are living neither in the past nor in the future and it is of conditions to-day that I wish to speak, but before dealing with conditions of trade to-day, may I deal for a moment with a problem which is constantly facing our statisticians, namely, the difficulty of ascertaining our actual trade relations with any given country. Trade figures do not provide the information, they do give the actual exports and imports of any country and insofar are correct, but inasmuch as we do not always know the final destination of our exports nor the country of origin of our imports, a further analysis of the question is necessary when considering our trade relations with any country.

"Without realizing this fact comment has been made in the press that Canada's trade with foreign countries has decreased, and that the only country which shows increased purchases from us is Great Britain, which statement is only partially correct. May I point out that most of the European countries endeavor to keep their records of imports on a country of origin basis and that their figures of imports of Canadian products do not in any case correspond with our figures of export to them.

Great Trading Nations

"Great Britain and the United States are undoubtedly the two great trading nations of the world and inasmuch as we export to, and import from both, it will readily be seen that our imports from these countries do not necessarily originate within these countries nor do our exports to these countries necessarily remain within these countries.

"May I illustrate this difficulty by giving you some figures regarding the export of wheat, our largest single commodity. It is a well known fact that the quantity of wheat shipped through American ports does not vary greatly from the amount of American grain shipped through Canadian ports, so in illustrating my point I will have to refer to the exports from both countries.

During the year 1925, the total export of wheat to the United Kingdom from Canada was 170,000,000 bushels, the total from the United States was 117,000,000 bushels, according to our figures. Yet, according to the British figures, the import of wheat from Canada was 25,000,000 bushels, and from the United States 50,000,000 bushels. In other words, from this continent Britain claims she imported 104,000,000 bushels and this continent claims it exported 189,000,000 bushels. Undoubtedly the British figures showing 50,000,000 from the United States was represented by Canadian wheat going through American ports. What of the balance?

"It is a well known fact that a cargo of grain leaves a Canadian port sold to a British grain merchant, but often with an option in the charter allowing the owner to order the grain at any one of five ports. This cargo, while credited to Liverpool, may eventually be transferred to Rotterdam and find its final destination in Switzerland. Both the American and Canadian figures show no export of wheat to Switzerland and yet Switzerland claims to import 13 million bushels from Canada.

Export to Germany

"The export of wheat from both Canada and the United States to Germany amounts to no less than 7 million bushels, yet Germany claims an importation from this continent of 40 million bushels. With France this continent shows an export of 10 million bushels and the French figures show 14 million bushels imported. With Denmark, Sweden, and Belgium the same is true—imports of wheat from Canada are shown to be greater by these countries than our figures would indicate.

"We must realize, however, that our trade figures are correct. The trade is actually made with Great Britain and the financing is done in London. The British merchant is able, through his financial connections, and shipping facilities, to distribute our product for us probably better than we are able to do ourselves. He is also able to take advantage of trade agreements made between Canada and the country of destination and that no loss of export occurs and no problem except the difficulty of knowing who our final customer is.

It is still more interesting to consider in dollars and cents the difference between our supposed exports to certain countries and the imports of these countries credited to us. May I illustrate a few cases using in each case Canadian currency. With Great Britain our exports stand at 449 millions as against an import credited to us of 312 millions, showing the distribution by Great Britain of 147 millions of our exports, to other countries. With Belgium our exports are credited as 20 millions, as against their importation from us of 15 millions, showing a distribution by Belgium of 5 million dollars. With the Netherlands we show 22 million exported as against 14 millions imported. With the following countries the reverse is the case,—Australia shows an import of 18 millions as against our export of 16 millions. British South Africa an import of 11 million as against our export of less than 9 million. New Zealand almost 17 million as against our export of 15 million.

"In each case it will be noted that these other British possessions import our goods in excess of what our export figures show.

Notable Exceptions

"Switzerland and Germany are notable exceptions. Our exports credited to Switzerland amount to less than ½ million dollars and yet Switzerland claims to import from us 18 million dollars worth of our merchandise. With Germany our exports are credited as 30 million dollars. German import figures show purchases from us of 63 million dollars.

"Thus it is clearly shown that while the trade figures of a country are correct in respect to actual imports and exports they cannot be interpreted as showing the actual consumption of the products of one country by another.

"With the United States to whom we credited in 1926, 465 millions of exports, the same is likewise true, but not to any marked extent, as that country does not re-export as great a quantity of Canadian wheat as does Great Britain.

"And now as to imports. It is a well known fact that many of the imports which we credit to both the United States and Britain are not articles of British or American origin, particularly is this true with the United States. One need not labor the obvious. A few illustrations suffice to prove the point. Cotton from Britain is usually of Egyptian or American origin, and our rubber imports of 20 million dollars from the United States are probably of British origin.

Purchases from U.S.

"Our purchases from the United States are doubtless increased by the fact that American importing houses are more accessible to Canadian buyers than are the original producers of the commodity on the continents of Europe and Asia. Much of the importation of commodities from the United States therefore represents the production of other countries. Neither the United States nor Great Britain nor Canada have yet chosen to subscribe to the recommendation of the Geneva Conference, that country of origin should govern in import statistics, on account of the difficulties involved. Merchandise loses its identity so often that great difficulty is experienced.

"There are, in this room to-night, manufacturers who have experienced the same problem within the Dominion. When a Canadian factory sells direct to the retailer an accurate record can be kept of the particular town in Canada to which the product goes, information which is of inestimable value when deciding upon sales and publicity expansion. Where, however, distribution is made through wholesale houses, either wholly or in part, the manufacturer finds great difficulty in knowing what towns in Canada are giving him his sales.

"The Bureau of Statistics has under consideration at the moment the advisability of providing a separate column in our trade returns showing in as far as is available the import figures from Canada of countries with whom we do business. This information will, I believe when given, enable a clearer analysis of the final destination of our exports.

Press Comments

"Reference has been made in the press to the fact that there has been a decline in our favorable trade balance during the last twelve months ending September 30, as against the preceding twelve months. While that is true it is equally true and vastly more important that during the same twelve months our favorable trade balance stood at more than 197 million dollars, which is undoubtedly the largest per head of population of any country in the world and the decline which has occurred is, I believe, not difficult of explanation. It is due in part to the lower prices prevailing for our agricultural exports and in part to the increased importation of capital goods. It is significant that according to a statement of A. D. Watts & Co. appearing in The Annalist,' of Friday, November 4th, Canadian corporation financing in New York in the present year reached $184,000,000, 160 million dollars of which is now capital raised almost wholly in the form of bonds, thus preserving to Canada both the control of the corporation and the profits which come to stockholders. At any rate such a large importation of capital for development involves to a considerable extent the purchase of imported goods, largely goods such as cannot be produced, or cannot be produced rapidly enough in Canada to satisfy the urgent demand for new machinery and equipment characteristic of a period of rapid development such as the present. With that phase of the situation I shall deal in a moment.

Details of Decline

"Let us now proceed to examine the details of the decline of our balance of trade. In the first place may I point out in passing that imported foreign goods which are debited against Canada as imports should correspondingly be credited to Canada when re-exported to other countries. The exports of foreign goods from Canada during the last twelve months were 4½ million dollars greater than in the twelve months previous and consequently that amount should be credited to our exports.

"Another interesting point for consideration is the importation and exportation of settlers' effects. In the last twelve months' period the increase in the importation of settlers' effects over the previous twelve months was two million dollars. The decline in the exportation of settlers' effects during the same period was one million dollars. Surely this is a very cheering fact for Canadians to dwell upon.

"But after allowing for both these facts our statistics still show a decline in total exports of 49 million dollars and an increase in total imports of 87 million dollars for the period under discussion.

"The decline in exports is almost entirely due to the decrease in the value of the 1926 wheat crop. The export value of wheat, our largest single item of export, has been at the rate of $1.41 per bushel in the 1927 period as compared with $1.52 per bushel in the same period of 1926. This has also been reflected in a falling off in the average value of flour, of 35 cents per barrel. Speaking then in terms of all our exports of grain and grain products together it may be stated that the volume exported in the last twelve months' period was lowered by 45 million dollars. It is further true that the decline in the total value of all agricultural products exported when taken together somewhat exceeds the total decrease of exports shown by the statistics. Consequently, our exports of products of non-agricultural origin have actually increased in spite of the general downward movement of world prices. When the facts are properly understood there is no special significance in the decline in value of our exports and certainly not the slightest ground for misgiving. As for the coming year, our crops in 1927 have been larger and of better quality than those of 1926 and presumably our exports of agricultural commodities in the next twelve months will show a substantial increase in value.

Increase of Imports

"Let us proceed to consider the increase of our imports which has been stated as 87 million dollars and is found generally throughout the nine groups with the exception of fibres and textiles; the largest increase being one of 30 million dollars in iron and its products.

"There are, I believe, three explanations for this increase. In the first place, there is a heavy increase in what might be designated as luxury spending by a prosperous people, particularly for commodities other than the mere necessities of life. We find that this class of importation accounts for nearly 20 million dollars of the total increase. For instance, our imports of alcoholic beverages increased by over 9 million dollars and our imports of tropical fruits and vegetables, and other luxury commodities of a kind not produced in Canada, made up the balance.

"Secondly, there have been remarkable increases in the importation of raw material for use in our industries. The importation of cane sugar advanced by 7 million dollars, crude petroleum by 5½ million dollars, corn by 4 million dollars, bituminous coal by 3 million dollars, undressed furs by 2½ million dollars, raw silk by 1 million dollars and unmanufactured tobacco by 1 million dollars. These sums added to the increases in numerous other commodities, such as hides and skins, manilla and sisal grass and unmanufactured leather, altogether account for an aggregate increase in imports by the industrialists of this country of 25½ million dollars. The expediency of ever increasing imports of raw material in use in Canadian factories can hardly seriously be called in question.

Raw Material

"In this regard it is worthy of note that the increased consumption of raw material by our industries is reflected in the employment level in Canada, which in October was 14 per cent. above the average level of the same month since 1921, whereas in United States the comparative index is at the moment about 25 per cent. below the average level for the same period.

"The remaining issue is that of the importation of industrial equipment, an issue intimately bound up with the increase of 30 million dollars in the imports of iron and its products. In a community like Canada it is of the utmost importance that iron and its products, the chief articles of industrial equipment, should be available as freely and as quickly as possible. In view of our great variety of manufacturing industries and the manifold types of machinery which they use as their industrial equipment, it is impossible to expect that all this varied machinery should be produced within the country in the early stages of its development.

"Conceivably many industries might be compelled to use equipment made in Canada, but the desirability of enabling the producers of this country to secure their machinery at the lowest possible cost has been recognized by many governments. In 1918, the then government placed low-priced farm tractors on the free list. The present government since its formation has lowered the duty on agricultural implements, many other implements of production and motor cars. This importation of machinery and industrial equipment on easy terms is of enormous advantage to the bulk of our producers and has been shown to be so by the general prosperity which has followed the adoption of this policy, as is reflected in the financial standing of the industries affected in each case.

"Are we now to delay or to retard the accelerating industrial expansion of the Dominion by discouraging the importation of industrial equipment, when there is scarcely a large manufacturer in Canada who is not using equipment of such a specialized character that it would be impossible to produce it for our limited demand except at prohibitive cost? Far from it; the great increase in our imports of iron and its products will be the source of increased production in the near future, and to check it would be disastrous.

Demand in Canada

"There is enough demand in Canada at present for articles of iron and steel to keep our existing domestic plants busy so that our addifional demands must need be imported from other countries.

"The Department of Trade and Commerce, over which I have the honor to preside at present, has much in common, Mr. Chairman, with organizations such as yours, and while our fields of endeavor may to some extent vary, we are both working to improve the channels of trade and lines of communication so that the flow of business will be accelerated. In this work I feel that our various Canadian associations, boards of trade and governments deserve the appreciation of the individual business man. The Department of Trade and Commerce, through its Commercial Intelligence Service, is endeavoring in a practical way to create lines of communication between Canada and other countries. By establishing our Trade Commissioners at strategic points of world trade and by the subsidizing of direct lines of steamship service, the department has undoubtedly assisted enormously in broadening our field of export, but I feel that if the service were taken full advantage of, greater increases of trade would follow, both as to volume and as to variety of products sold.

"There came to my attention a few days ago the manifest of the steamship 'Caribou,' which sailed from Canada to South Africa. It is interesting to note the great variety of commodities exported in the total cargo, amounting to over $750,000, and while grain and its products are our principal items of export, these commodities only amounted to 1-3 of the cargo value in dollars, the remaining $500,000 being made up of a diversity of products, which is quite surprising and which took three pages of this manifest to list.

British Methods

"It was my pleasure, during this past summer, to spend a few weeks in Great Britain inquiring into the methods by which we could best acquaint the British people with the products which they should buy from us, and I am pleased to be able to say that when our plans, as a result of my visit, are completed, which they will be in the near future, the government hopes to be of substantial assistance to the Canadian exporter by the new publicity service being established. The Empire Marketing Board, through its publicity, has already educated the British public to the advisability of Empire trade, so that it but remains for us to supplement that publicity in order to reap our share of the reward.

"The Deputy Minister of the Department of Trade and Commerce has just returned from an extensive tour of South America, where he has made a careful study of trade possibilities. He assures me that a high regard is felt for Canada by Latin American countries and that the contacts can easily be made which will be of immense profit to us. All that is necessary is the establishment of sufficient lines of communication.

Vision of Trade

Probably, there is no thought that impresses us more at the moment than that through trade the nations of the world are being constantly bound more closely together. Our vision of trade since Confederation has gradually been extended from municipality to province; from province to Dominion; from Dominion to Empire, and from Empire to world, as is evidenced by our enormous world trade. If we are to hold our place in the forefront of the trading nations, it is the duty of the government to provide facilities for the Canadian producer to enable him to compete with his rivals in other countries. It is the duty of governments to provide him with scientific information which will enable him to compete. In the race for commercial supremacy before the war, Germany was well to the forefront in this great service. Since the war countries like United States and Britain have realized the importance of the work. We in Canada are making plans at the moment for the enlargement of our work in scientific research which will be of ever increasing value in the years to come, and will enable us to realize great rewards which the resources of our land and the energy and enterprise of our people I know make possible."

No Merger For Lake St. John

MONTREAL.—Rumors regarding the possible merger of the Lake St. John Power and Paper Company are without any foundation in fact. The company has sold its entire output over a term of ten years, it has therefore, no problems which a merger would help to surmount. The erection of, and the installation of machinery in the plant is well up to schedule which calls for the completion of the mills to a rated capacity of 220 tons daily by next month.

WITH U.S. HELP SOCKEYE SALMON WILL BE SAVED

States May Assist in Removing Stumbling Block for Conserving Industry

From Our Own Correspondent

VANCOUVER.—The last stumbling block in the way of conserving British Columbia's sockeye salmon industry, until now apparently headed for ruin, will be removed when the United States Government falls in line with restrictive fishing measures in waters tributary to the Fraser River—measures which have been continually urged by British Columbia authorities.

After years of negotiation, Washington appears to be willing to cooperate with Canada in carrying out this important work for the perpetuation of the sockeye, regarded as one of the world's most important food fishes. If the sockeye business can be put on its feet again, it will be able to yield annually $30,000,000, according to experts. The threat of extinction will be removed forever.

Treaty With Canada

According to advices received here, the United States Government is ready, pending the settlement of two or three small details with the State of Washington, to negotiate a treaty with Canada for the protection and propagation of the sockeye in the waters of British Columbia and Washington. The tentative draft of a proposed treaty covering the questions for years in dispute has been drawn up by Senator Wesley Jones and submitted to Governor Hartley. It is expected that the treaty will be submitted to the Canadian Government within a month after which it will, of course, require the approval of the provincial government.

Although terms of the treaty are not published, the contemplated action is expected to result in better protection for the salmon, which spawns in the Fraser River, British Columbia, and is taken by American and Canadian fishermen in Puget Sound, the Straits of Juan de Fuca and the Straits of Georgia. Canadian fishermen are restricted to the use of small gear in the sockeye area, but American fishermen have so far been allowed to use purse seines and other big tackle and their operations have resulted in decimating the sockeye run in recent years. The lack of an international treaty has resulted in misunderstanding, and the whole industry has suffered as a result.

Investigation of the fisheries of British Columbia with a view to their conservation is desired by the Canadian Chamber of Commerce, decision to that effect being taken yesterday by the national executive of the Chamber at its final session of a two-day meeting held in the Montreal Board of Trade council room. The decision was to approve of sending a communication to the Hon. P. J. A. Cardin, Minister of Marine and Fisheries, endorsing a proposal of the Vancouver Board of Trade for the appointment of a commission to investigate the province's fisheries.

B.C. Wants Treaty

British Columbia has been anxious to have a treaty for years, but Washington has been rather indifferent. The foreign relations' committee of the United States Senate attempted to draft a treaty about five years ago, but negotiations were dropped when Governor Louis Hart went to Washington to protest. His objections were based on the territorial definitions, and the whole matter was held in abeyance.

The light salmon pack in coast waters this summer brought matters to a head again and it was determined to revive the treaty issue and, if possible, obtain the approval of all governments concerned.

Canadian Pacific Railway Company

Dividend Notice

At a meeting of the Board of Directors held to-day a dividend of two and one-half per cent. on the Common Stock for the quarter ended 30th September last was declared from railway revenues and Special Income, payable 31st December next to Shareholders of record at three p.m. on 1st December next.

By order of the Board,
ERNEST ALEXANDER,
Secretary.
Montreal, 14th November, 1927.

UNDER THE MANAGEMENT OF POWER CORPORATION OF CANADA LIMITED

Ottawa and Hull Power Company Limited

Dividend No. 17

A DIVIDEND of One and three-quarters per cent. (1¾%) has been declared on the PREFERRED STOCK of the OTTAWA AND HULL POWER COMPANY, LIMITED, for the quarter ending November 30th, 1927, payable December 15th, 1927, to shareholders of record November 30th, 1927.

By order of the Board.
L. C. HASKELL, *Secretary.*
October ?°, 1927.

COOKSVILLE SHALE BRICK COMPANY LIMITED

DIVIDEND NOTICE

A Quarterly Dividend of One Per Cent. (1%) on the Preference Shares has been declared, payable December 15th, 1927, to Shareholders of record at the close of business on November 30th, 1927.

By order of the Board.
WM. TAYLOR,
Secretary.
Montreal, Que., 9th November, 1927.

CHRISTIE, BROWN & CO., LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of one and three-quarters per cent. (1¾%) on the issued Preference Shares in the Capital Stock of this Company for the period from the first day of November to the thirty-first day of January, 1928, has been declared payable to shareholders of record at the close of business on the twentieth day of January, 1928, and that such dividend be payable on the first day of February, 1928.

By order of the Board.
J. C. MILLAR,
Secretary.

CHRISTIE, BROWN & CO., LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of thirty cents (30c.) per share on the issued Common Shares in the Capital Stock of this Company for the period from the first day of November to the thirty-first day of January, 1928, has been declared payable to the shareholders of record at the close of business on the fifteenth day of January, 1928, and that such dividend be payable on the first day of February, 1928.

By order of the Board.
J. C. MILLAR,
Secretary.

IMPERIAL OIL, LIMITED

DIVIDEND

Notice is hereby given that a dividend of twenty-five cents (25c) per share and a special disbursement of twelve and one-half cents (12½c) per share have been declared by the Directors of Imperial Oil, Limited. The same will be payable in respect of shares specified in any Share Warrant of the Company within three days after the Coupon Serial Number TWELVE (12) of such Share Warrant has been presented and delivered to:

The Royal Bank of Canada,
Toronto, Ontario.
or at the office of:
Imperial Oil, Limited,
56 Church Street,
Toronto, Ontario.

such presentation and delivery to be made on or after the
1st day of December, 1927,

Payment to shareholders of record at the close of business on the 15th day of November, 1927, (and whose shares are represented by Share Certificates) will be made on or after the 1st day of December, 1927.

The books of the Company for the transfer of shares will be closed from the close of business on the 15th day of November, 1927, to the close of business on the 30th day of November, 1927.

By order of the Board.
T. C. McCOBB,
Secretary.
56 Church Street,
Toronto, Ontario.

LAKE OF THE WOODS MILLING COMPANY LIMITED

Dividend Notices

Notice is hereby given that a Dividend of 1¾ per cent. on the Preferred Stock of LAKE OF THE WOODS MILLING COMPANY, LIMITED, for the three months ending November 30th, 1927, has been declared payable on Thursday, December 1st, 1927, to shareholders of record at the close of business on Saturday, November 19th, 1927.

By Order of the Board,
M. H. HUTCHISON,
Secretary.

Notice is hereby given that a Dividend of 3 per cent. on the Common Stock of LAKE OF THE WOODS MILLING COMPANY, LIMITED, for the three months ending November 30th, 1927, has been declared payable on Thursday, December 1st, 1927, to shareholders of record at the close of business on Saturday, November 19th, 1927.

By Order of the Board,
M. H. HUTCHISON,
Secretary.

For Sale by Tender

$12,000.00

Village of Port Rowan 5½% Bonds

Twenty bonds of odd amounts payable one each year increasing from $344.15, payable in one year to $951.80 payable in twenty years. Coupon bearing, interest annually (or at option of purchaser, may be issued in non-interest bearing debentures of $1,004.15 each, payable one each year for twenty years). Payable at the office of the Municipal Treasurer at Port Rowan, Ont. Population 687. Approximate area 500 acres. Assessment for taxation, $299,816.67.

Present Debenture debt (exclusive of secured Local Improvement Debentures) $19,771.69, made up as follows:

$8,771.69 repayable to Village by County of Norfolk annually as each instalment is paid. $11,000 Hydro Bonds payable by the Hydro-Electric Commission out of earnings. Thus the present issue will be for all practical purposes the only Bond issue of the Municipality payable by the Municipality at large.

Tenders will be received for the above up to 3 o'clock P.M., November 25, 1927.

All tenders to be mailed or delivered and addressed to the undersigned. The highest or any tender not necessarily accepted.

J. P. PIERCE.
Treasurer, Village of Port Rowan,
Port Rowan, Ont.

CANNING INDUSTRY IS MOVING ALONG PROGRESSIVE LINE

More Intense Utilization of Dominion's Production is Aim

A more intensive utilization of the Dominion's fruit and vegetable production with the object of obviating a certain voluminous and lamentable wastage which takes place each year, has been the aim of various agencies in Canada, both governmental and private. It is interesting to note, therefore, in the government's return on the fruit and vegetable canning industry for 1925 further progress in this activity. This shows that in the 12 months prior to the completion of the report the number of plants in the industry increased by 36 or 13.5 per cent., and that in the same time fixed capital advanced by over 7 per cent. and the gross value of production by over 12 per cent.

The industry is broadly divided into four phases: (1) canned fruits and vegetables; (2) dried and evaporated fruits and vegetables; (3) preserved fruits, and (4) vinegars, ciders, pickles, sauces, and relishes. In the first branch 142 establishments are engaged as against 113 in the year before; in the second 57 are operating compared with 45; plants in the third phase declined from 48 to 43; while in the fourth branch the number of plants remained stationary at 60. Ontario leads in all branches of the industry with a total of 203 plants or 67 per cent. of the Dominion total. British Columbia follows with 34 plants, of which 17 are engaged in fruit and vegetable canning. Quebec ranks third with a total of 32 establishments, 17 being engaged in fruit and vegetable canning. Nova Scotia has 15 plants, New Brunswick 9, Manitoba 5, Alberta 3, and Saskatchewan 1.

Regarded as a whole there was in 1925 a capital of $16,665,373 invested in the industry, an increase of $1,169,872 over the previous year. The average capital per plant in that year was $101,532, an increase of approximately $500 over the year before. A total of 5,633 persons employed in the industry received in salaries and wages the sum of $3,948,012. The total value of the production of all branches of the industry was $30,339,117, an increase over 1924 of $3,291,154, and the net production value $13,289,371, an increase of $820,523.

Fruit and Vegetable Canning

Fruit and vegetable canning is the most important phase of the general activity, accounting for more than 50 per cent. of the gross production. The most important item of this is canned tomatoes with a value of $5,000,000, following by canned corn $2,900,000, and canned peas $2,500,000. Among canned fruits pears had the highest value with $1,200,000, other important items being apples, cherries, peaches, plums, raspberries, strawberries, and other small fruits, Jams, jellies and marmalades manufactured by this branch of the industry had a value of $375,362. Miscellaneous products manufactured included canned soups, canned chicken, catsups and relishes, evaporated apples, pickles, sauerkraut, vinegar and cider.

Evaporation and dehydration of fruits and vegetables which slumped somewhat after the peak of activity in the post-war years has steadily improved until it is practically back at the same point, and the value of production in 1925 was $606,649 as compared with $186,500 in 1923. Ontario, Nova Scotia, and British Columbia are active in this industry, the principal products being evaporated apples with a value of $579,469, apple crop and waste $17,565, cider $309 and miscellaneous products $9,126.

Plants engaged in the preserving of fruits, jams, and jellies, of which there were five less in 1925 than in the previous year, had a production value of $5,825,376, to which Ontario contributed 59 per cent., Quebec 22 per cent., and British Columbia 18 per cent. The principal items of production were jams $3,559,830; marmalades $522,934; catsups and relishes $279,679; and jellies $290,997.

In the fourth branch of the industry the total value of production was $7,962,804, and the net value $4,440,890. Catsups, sauces and relishes accounted for $2,186,624; baked beans $1,489,842; vinegar $1,236,975; and pickles $1,074,857. Nearly every province is engaged to some extent in this activity, though it is largely centred in Ontario, which accounts for nearly 90 per cent. of the production value.

Import and Export

The opportunity existing in the industry is broadly illustrated in the import and export situation. Canada is importing a large quantity of prepared fruits and vegetables, many of which she is producing herself, and the tendency is to increase the volume of these rather than otherwise. At the same time a very widely scattered export market has been developed which would appear to have very extensive possibilities.

Total imports of prepared fruits in the last three fiscal years have had values of respectively $1,919,757; $2,081,434; and $2,784,683. The largest item in the last year's trade, fifty per cent. greater than two years before, was peaches in cans, a fruit which Canada produces in abundance. Canned pears, which could as easily be produced in Canada, had a value of $101,229. The import of pineapples last year reached $941,172, or nearly twice the value of a couple of years previous. Other fruits canned had an import value of $663,073 last year, showing a substantial increase over the two previous years, while the value of jellies, jams and preserves imported was $327,772. Imports of canned vegetables in the last three fiscal years have had respective values of $1,240,616, $1,235,560, and $1,219,379. Contributing to these values are beans, corn, peas and tomatoes, all of which Canada produces successfully and in abundance.

On the other hand exports have tended to decline, principally due to the falling off in trade in general with the United Kingdom, which has been the principal customer. Exports of canned or preserved fruits in the past three fiscal years have had respective values of $876,557, $658,097, and $470,582; these going to the United Kingdom, United States, Australia, Bermuda, British Guiana, British Honduras, Newfoundland, New Zealand and other countries. Exports of dried apples in the same three years have had respective values of $164,434, $456,508, and $163,348; the decline in the past year being entirely due to the disturbance of trade with the United Kingdom. This product goes likewise to United States, Denmark, Germany, Netherlands, Newfoundland and other countries. Jams, jellies, and preserves, appearing last year for the first time in trade returns as going to the United Kingdom, Newfoundland, United States, Australia and New Zealand, had a value of $15,886. Fruit juices and fruit syrups had an export value of $398,982.

Wide Distribution

Canned vegetables are distributed as widely. Canned beans were exported in the past year to the value of $578,696, going mainly to the United Kingdom, but also to Newfoundland, New Zealand and other countries, and canned tomatoes to the value of $18,087 going in addition to British South Africa and Cuba. Other canned vegetables in the past year had an export value of $107,608, as compared with $668,434 the year before, and 953,659 the year before that, going to the United Kingdom, Australia, Bermuda, British South Africa, Cuba, Fiji, Japan, Newfoundland, New Zealand and other countries. The export of dried vegetables declined to $125 from $9,991 the year before solely owing to the loss of the United Kingdom market, while the export of pickles, sauces and catsups declined from $834,548 to $592,317 for the same reason.

Since the above return was completed there has been further development of the canning industry, due in large measure to the greater prominence of new areas engaging in raw production. Nova Scotia and British Columbia have been active in effecting greater utilization of fruits. The acreage planted to tomatoes for this purpose in British Columbia has been extended considerably, while the Windermere Valley has been responsible for something of an innovation in the production of Lincoln peas for canning at Vancouver. The Prairie Provinces are likewise becoming more interested in the industry. This fall a pea exhibition is being staged at Magrath in Southern Alberta as a preliminary to the establishment of a pea canning factory there, and according to report a canning factory is to be erected in Edmonton to take care of the flourishing vegetable growing industry there. It is stated that Alberta, which formerly imported all her vegetables in canned or raw form, to-day grows 60 per cent. of what she consumes, and the experiences of the other provinces have probably been similar.

Letters to the Editor

BUTTER AND AUSTRALIAN TREATY

The Editor, The Financial Post:

I have before me a clipping from your issue of October 21, dealing with the Australian trade treaty, apparently supplied by your British Columbia correspondent. This article would lead one to believe that the Australian trade treaty had not done any harm to the Canadian dairying industry. My opinion is that it has almost wrecked the dairy industry in Western Canada. This article points out that British Columbia, although a heavy butter producing province, is still in favor of the treaty. Of course, British Columbia is not a heavy butter producing province and will not be for a great many years. I have not seen the final figures for 1926, but I presume that British Columbia perhaps made 2 per cent., or perhaps 2½ per cent., of the total creamery butter made in Canada, so that obviously they are not very much interested in what happens to the dairy industry. Apparently, however, they are interested in what happens to the pulp industry, but it is too bad if the dairy farmers of Manitoba, Saskatchewan and Alberta, and also British Columbia, are to be prejudiced in order to help out the automobile and pulp industries.

I note that Mr. Dalton, of the Canadian Manufacturers' Association, states that Australia will not cancel the treaty and it is very obvious that, of course, they will not because they apparently can increase the import duties on Canadian automobiles or anything else from Canada without in any way interfering with the advantage they have in shipping their raisins and their butter into Canada either duty free or with a very low tariff. It is true, of course, that Australia has not benefited by the treaty so far as butter is concerned, because New Zealand has been able to take advantage of whatever butter Canada required from the Antipodes, as New Zealand butter is better known, is generally a better product, and owing to there being no Paterson Scheme in effect in New Zealand, their butter does not come within the confines of the Canadian dumping law, so that the dairy industry in Canada has been seriously injured without the dairy industry of Australia being helped in any way.

I can imagine that British Columbia would adopt a different attitude, if Australian fruit was brought in to the detriment of the British Columbia fruit growers.

Just now New Zealand is offering butter fresh made for December and January delivery at 37¼c., delivered Vancouver, all charges, including duty, paid. This would mean that the farmers of Saskatchewan could not receive for their July butter more than 30c. per pound from the Vancouver dealers, when deterioration in quality and carrying charges and freight have all been taken into consideration.

The greatest injury, however, comes to our winter dairying. Our prairie farmers cannot be expected to feed and milk cows in December, January, February and March, when it costs 2½c. per lb. to take butter from Regina to Vancouver, and the same amount to bring butter from New Zealand to Vancouver, including the 1c. duty. Anyone who states that the Australian trade treaty has not seriously injured Canadian dairying is, I feel, not very closely in touch with the situation.

J. A. CAULDER, President,
National Dairy Council of Canada.
Regina, Sask., Nov. 8, 1927.

POWER QUESTION FOR LETHBRIDGE NEARS CONCLUSION

Vote to be Taken on By-law Covering Contract With Calgary Power Co.

From Our Own Correspondent

LETHBRIDGE, Alta.—The power question that has agitated the mind of the burgesses of this city for so many months is still much of an issue, but it does seem to be nearing something concrete, for, on November 23, a vote will be taken on a by-law covering a contract with the Calgary Power Company for the interchange of power with the city. Should this proposed compact, which would tie the city up for three years, carry, the long-mooted question will be settled temporarily, at least. If it is rejected, the outcome is highly problematical.

This city has been the seat of a tenacious struggle between two powerful utility corporations—the Calgary Power Company, distributors of hydro electric power, and controlled by the Royal Securities of Montreal, and the International Utilities Corporation of New York. Holding the key to the power situation over a large and prosperous territory—a country rapidly filling up with population of a power-using type—Lethbridge has been courted first by one concern, then by another. It was flattering at first, then it became contentious, now it has reached a point where not a few citizens are wondering if it wouldn't be just as well to keep out of "entangling alliances" by the city continuing operating the power plant and tram system as it has done in the past.

Rejected Proposal

Last spring, the citizens rejected a proposal of the city light department for the purchase of a new turbo generator to cost some $100,000. An offer from the Calgary Power Company was responsible largely for the defeat of the by-law, and when the matter was next considered it was learned that the International Utilities had their eye on the Lethbridge power plum. This proved true, for the New York company offered to buy the power plant and street railway for a million dollars cash. The city council said no, it wasn't good enough. The gas company then came back with an offer of $250,000 cash and an obligation to meet $950,000 of outstanding principal and interest payments on the utilities. Again, the council refused to entertain the offer.

Thus the fight between the two giants—interests plainly struggling for mastery of the power business of Alberta and later probably, Saskatchewan—went merrily on. The Board of Trade took a hand and recommended that an expert be called in. This was done in the person of E. W. Bull of Regina, and he favored the interchange of power agreement offered by the hydro company of Calgary.

Still in Ring

The council proceeded on this basis, but just when the by-law was ready and passed waiting to be signed, a petition from citizens forestalled its final sanction and threw the question again into the arena. The net result of this move is that the International Utilities people are still in the ring and by the look of things they are going to stick to the last ditch.

Under the proposal that will be voted on, the Calgary Power Company will really use the Lethbridge municipal plant as a steam standby to supplement their lines from the big plant west of Calgary. They agree to buy 2,000,000 K.W.H. at 85 cents from the city during the winter months while the city agrees to buy 3,000,000 K.W.H. at 75 cents from the company during the year.

The Calgary Power Company is extending its transmission lines over the whole countryside from Calgary to the U.S. boundary, serving towns, villages and farm homes along their lines. If they can gain a footing in Lethbridge it will be a decided advantage in their big program of expansion on the prairies, and will prove a blow to the aspirations of the gas company along the same line.

Lake of Woods Wins Decision in Power Case

From Our Own Correspondent

MONTREAL.—A decision favorable to the Lake of the Woods Milling Company has been handed down in the suit brought against the company by the Keewatin Power Company. However, the Keewatin Power Company has thirty days to bring before the courts proof that the Lake of the Woods Milling Company has used more than its share of the waters and proof that the power company has suffered damage from any such alleged use.

The suit between the Keewatin Power Company and the Lake of the Woods Milling Company has been dragging on for a long time. The power company sought to restrain the milling company from diverting water from the Lake of the Woods through its mills. The Lake of the Woods Milling has used the waters for the same purpose for twenty years.

ATTRACTION TO SETTLERS

It has been estimated that over half of the province is adapted to agriculture. Only about one quarter of the total area, however, has been cleared and barely half of this is under high cultivation. Nova Scotia thus offers special attractions to settlers from the European continent.

WINDING-UP ORDER REFUSED BY JUDGE

Action Against Imperial Canadian Trust Dismissed— Petioner Withdraws

Mr. Justice Galt, in Winnipeg, has dismissed with costs an application for a winding-up order for Imperial Canadian Trust Co., half-sister of Great West Permanent Loan, which was ordered to be liquidated some weeks ago. The dismissal of the action resulted from the withdrawal from the case of the petitioner, a shareholder.

Counsel for the petitioner asked enlargement of the case for one week in order to find another shareholder who would take the place of the petitioner who desired to withdraw. Mr. Justice Galt, however, stated that he could not permit such a procedure.

It is not known at this time whether or not a new action will be initiated, with another shareholder in the role vacated.

WORLD CONDITIONS MILITATE AGAINST CANADIAN TRADERS

Sugar Producers Experience Keen Competition from Cuba

Keenness of the Cuban manufacturers to obtain a wider market and general unsatisfactory conditions in the world sugar markets, have had a depressing effect on the Canadian sugar refineries. Production during the current year has been lower than in the corresponding period of 1926. Practically all of the principal companies in this industry experienced heavy losses when the market for raw sugar broke over five years ago and while many have made up the losses incurred at that time, there is considerable room for improvement. It can be anticipated that earnings of the Canadian sugar refineries will show a decline this year as compared with 1926, since for the year to date the amount of sugar manufactured in the Dominion totals only 751,923,194 lbs. as compared to 849,097,591 lbs., during the corresponding period of 1926.

The chief reason for the decline in production lies in the increased competition experienced from manufacturers of sugar in Cuba. Moreover, while imports from that country have not shown a particularly large increase, yet the amount of sugar being imported fixes the price for the Canadian refineries, and prices this year have been low.

In addition to increased competition from Cuban manufacturers, a general unsatisfactory condition obtains in the world sugar markets. In Europe, governments have subsidized the domestic beet sugar industries, and have increased their tariff. Given free markets, of course, the cane sugar industry can compete with the beet sugar growers, but it cannot compete with the sugar beet industry when the latter obtains bounties.

The action of the European governments has narrowed the markets for producers of cane sugar and thus increased the competition faced by the Canadian producers from the Cuban sugar manufacturers.

Naturally, economic laws will tend to right the situation—but the operation of economic laws in any given industry usually requires a long period of time, and the outlook for the sugar refineries in Canada is anything but promising at the moment. It would seem that the domestic sugar refineries are in a period of keen competition for some time to come.

Shortage is Unlikely

Opinion varies as to the market effect of Cuba's sale of 150,000 tons to England. Some maintain that with this much sugar off the market, stocks in Cuba and the United States on October 15 are estimated at 1,256,048 tons by Willet & Gray, compared with 1,102,626 tons last year. Subtracting the 150,000 tons sold to England, stocks available are almost the same as last year. If Cuba starts grinding January 1, the same date as last year, and refining operations do not pick up materially, there would seem to be plenty of sugar for all needs. And even if grinding is postponed until January 15, there would seem little reason to fear a shortage.

Unless some drastic change comes into the refined business before the close of the year, it is likely that Eastern refineries will continue operations at a low level. Demand is on a hand-to-mouth basis and the period of heaviest consumption is over.

So long as competition remains as keen as at present, there is little chance for price advances, and at current prices the margin between raw and refined sugar is only barely sufficient to cover operating costs.

To Stabilize Industry

In the absence of any definite news from Cuba, the chairman of the Sugar Commission, Colonel Tarafa, announces that it is not the purpose of the Cuban Government to force sugars unduly to a high level, but only to "stabilize the industry and obtain a price covering cost of production plus a small profit, and under no circumstances will the committee recommend measures that would tend to do otherwise." The general public and the press have shown little concern about possible extortionate prices resulting from Cuba's restrictions. But the sugar trade, and particularly those interested in Cuban sugar mills, would like assurance that Cuba's restriction measures will secure a profitable price.

Canadian importers have held off from making any important commitments until the situation clears up. During September, imports of raw sugar were nearly 30 per cent. under those of September a year ago. Refined sugared imports were also less, the bulk of supplies being shipped from Cuba.

Imperial Oil Employees Have Made Big Profit

Imperial Oil Employees, who have invested their money in the company's stock under the employee ownership plan of the company, have made very high profits. This scheme has been operating since 1920 as a Co-operative Investment Trust.

Some idea of the profits that have accrued to employees under this savings plan may be had from consideration of a typical case. Between April 1920 and April 1925 one employee deposited $20 a month with the fund. Thus his total payments were $1,200. For each dollar he put into the fund the company deposited 50 cents. The money so invested was invested by the company in its own stock and at the end of the five year period was distributed to the employees, this individual getting 88 shares, worth then a little over $30 a share, as his participation. To-day the stock at $60 a share is worth over $5,250 although he put in only $1,200.

The company has another such scheme now under which shareholders may buy stock in the company.

Says Hudson's Bay Shares Are on Bargain Counter

Although one large British shareholder of Hudson's Bay Company has been voicing some criticism of the company, the Evening Standard of London recommends the shares. "Canada" also considers them on the bargain counter and says:

"This authority is no doubt correct in assigning the recent heavy fall in the shares to a level at which they must surely be regarded as one of the most attractive of land shares, to sales from special quarters, and, as he says, in no way connected with the company's prospects.

"This writer's views on the position and outlook for this great Canadian undertaking are so identical with those held by 'Canada' that we are particularly gratified to repeat them here. Granting that there has been room for disappointment in the results obtained, Mr. Hicks considers that sufficient allowance has not been made for the dislocation caused by the complete re-organization of the company's trading business over the last year or two. It is admitted that scope exists for considerable expansion in the stores departments, and that it should only be a question of time for a big increase in profits, a view which has already been emphasized recently in 'Canada.' In the company's vast unsold lands and the balances due on land already sold, for which no credit is taken in the accounts, there are numerous concealed reserves, whilst—as is pointed out—the disclosed reserves are practically equal to the company's total capitalization. Whilst from a dividend point of view the return for the next year or two may be relatively small, Mr. Hicks very rightly considers that scope exists for considerable capital appreciation in the distant future, and that those who are prepared to lock them away and ignore any temporary fluctuations in price should be well compensated for their temerity. The note in question presents one of the sanest views as to the great company's position and prospects that has recently appeared in the Mother Country, and will commend itself to all interested in its future, both in this country and in the Dominion. In 1919 the price was at one time over £9, and last year it touched at one time 3 15/16. Those who in 1920 and 1921 picked up the shares at a fiver apiece were afterwards able to sell them at over £7, and re-purchase around £4. We look for a similar movement in the near future. At anywhere near £4 we regard Hudson's Bays as one of the most attractive securities in the Canadian list, and we consider that those who purchase them now and hold on for a few years will not regret their 'temerity.'"

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TOURIST FOLDERS SHOULD GIVE TRUE PICTURE TO PUBLIC

Head of Family Protests After Long, Dusty Ride

By A. B. BARKER

This year the head of the house decided on a motor trip for the annual outing. It proved a delightful holiday except for the part of the trip through Western Ontario. This consisted of about two hundred and fifty miles of a splendidly advertised but very poor road.

The advertising folders responsible were marvels of fiction, not so much in what was actually printed, but in the alluring prospects hinted at, and we fell for them. The fact that the Ontario Motor League distributed the folders helped the deception, for although the name of this organization was not on the advertising, the fact that it came from the office of the League was considered sufficient warranty.

Little Glimpses of Water

The so-called Blue Water Route along Georgian Bay and Lake Huron was the route so widely advertised. It runs from Sarnia to Midland, and from the description, one would suppose that it skirted the shores of these waters. As a matter of fact, however, while the Bay is visible in spots, the road from Owen Sound to Sarnia, except for the last few miles, is generally some distance from the water. One gets distant glimpses of the lake occasionally, very occasionally, but the longest section is through bush.

One folder refers to the bush as containing many different specimens of trees and shrubs, but we did not bother about them, all our attention was taken up guiding the car along a narrow and very bumpy road deep in dust. The trees and shrubs may be all that is claimed for them, but as the coating of dust was thick on everything, the beauty could only be discerned by the eye of faith. The rest of the road was gravel, reasonably wide, but as rough and dusty as a gravel road could be.

Calls it Uninteresting Road

Taken all in all, the present route from Owen Sound to Sarnia is not likely to be anything more than an uninteresting piece of road, which it will require all the inducements of a smooth and dustless pavement to make worth while.

We passed a number of cars bearing American license plates, and on reaching Sarnia learned the reason why there were so few Canadian cars. The people there smiled when they found how we had traveled. They apparently do not use that road themselves, and had heard so many profane comments on it by those who had that it was an old story.

The following day we crossed to Port Huron, and while spinning along the asphalt to Detroit, watched the cars on the Canadian side stirring up clouds of dust.

Good Beach; Fifth Rate Resort

One feature of the Blue Water route, on which the author of the folder spreads his powers of description, is Wasaga Beach, a wide stretch of land sloping gradually back from Georgian Bay, and about seven miles in length. As a beach, it justifies all that is said for it, a perfect beach for bathing and absolutely safe, as one can wade out on smooth white sand for a long distance. As a resort, however, it is a fifth rate affair and most unattractive.

We went to it direct from Barrie. There are two roads to it and of these it may be said, that whichever one you take you will wish you had taken the other. This was our experience.

Must Fulfil Promises

Advertising can do much to bring traffic, but to hold it, the realization must be within measurable distance of the promises. A certain amount of exaggeration is permitted those who write prospectuses, but, when this limit is exceeded too much, it results in such adverse criticsim by the victims that the public will distrust all advertising of this kind, and travel to the places they know, or where personal friends have been.

It will be most unfortunate for the province if misleading descriptions of the resorts should have this effect on the American tourist trade, as the revenue from this source is already of considerable importance to the communities favored by these visitors. No one cares particularly whether the offending district loses or not, it is the effect on all which counts.

Motorists generally depend on the information available at the branches of their motorists association, and as a rule it is reliable. It is advisable though to be satisfied with general assurance as for various reasons officials at the information desks are apt to soft-pedal when it comes to saying anything which could be unfavorable to the roads in any particular direction. This, however, is not what members pay their fees for. The members are not concerned if the feelings of the local inhabitants of any district are hurt, when the truth about the roads is told. This sort of thing was responsible for the abominable state of Yonge Street at Richmond Hill for so many months and it was only when publicity was given that the inhabitants of Toronto's highest and healthiest suburb were finally prodded into action.

Many Roads are not Dusty

The next time we figure on a motor trip, part of the preparation will consist in a searching cross-examination at the information desk, to find out the unfavorable feature of the proposed route. Why bother to take roads likely to be rough or dusty, when it is not necessary. There are lots of others.

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RAISE STANDARDS CREDIT MANAGERS IS INSTITUTE'S AIM

New Body Will Prescribe Qualifications and Grant Degrees

Special to The Financial Post

WINNIPEG.—A training institute in credit is approaching reality for Canada. Plans decided upon at the National convention in June of the Canadian Credit Men's Association, calling for the creation of a credit institute are progressing.

Policy of New Institute

The policy of the Institute is set out as follows:

(1) To so far as possible set a standard of education in mercantile credit that will place graduates of the institute on a recognized high plane of efficiency and ability.

(2) To encourage through the Canadian Credit Men's Trust Association every active credit manager, his assistants, and others including traveling salesmen, to attain membership in the institute.

(3) To promote a proper and continuous study of all matters relating to mercantile credit, and to issue from time to time such works as will be of value to students of this branch of business.

The first duty of the newly-chosen council will be to elect a Dean, and when that is done, a curricula will be definitely decided upon, the text-books chosen, and a date set for examinations.

Have Two Courses

There will be two courses—a junior and a senior course. Degrees will be granted as follows:

Associate (A.C.I.) for those who have passed the Junior Course;

Member (M.C.I.) for those who have passed the senior course;

Fellow (F.C.I.) an honorary degree, to be conferred upon such as are elected by the council for meritorious service in the cause of establishing the profession of credit men, or for service in credit of mercantile work.

University Men on Board

The Credit Men's Association was established in 1910 and has therefore been in existence for over seventeen years. Since its formation it has taken a lively interest in, and lends its assistance to forwarding all movements having for their ultimate object, the betterment of credits in Canada.

The present institute would not have been possible unless the association had received the active co-operation of the principal universities throughout Canada, and the fact that two University Professors will sit continuously upon the council of the institute, is a guarantee that proper educational facilities will be afforded students of the institute. "Credit as a profession" will henceforth be the watchword of the institute.

Prominent Men as Councillors

A council of business men and university professors has been elected to serve for a period of two years, composed of the following: Four general managers, two university professors and eight credit managers. The names of these gentlemen are as follows:

General managers, Eastern Canada—W. S. Fallis, Sherwin-Williams Co. of Canada, Ltd., Montreal; E. S. Little, Robinson, Little Co., Ltd., London, Ont.

General managers, Western Canada—W. P. Riley, Western Grocers Ltd., Winnipeg; John Truscott Elson, Marshall-Wells B.C. Ltd., Vancouver.

Professors—Prof. W. J. Dunlop, Director University Extension, Toronto; Dr. Jas. A. MacLean, president, Manitoba University, Winnipeg.

Credit managers—F. S. Burns, Northern Electric Co., Ltd., Halifax, N.S.; S. F. Jamieson, G. E. Barbour Co., Ltd., Saint John, N.B.; D. A. Whittaker, Sherwin-Williams Co. of Canada Ltd., Montreal; J. B. Ratcliff, John Norway Sons Ltd., Toronto; Alex. Patterson, The Geo. McLean Co. Ltd., Winnipeg; F. A. Williamson, Bowman Bros. Ltd., Regina, Sask.; R. B. Corley, P. Burns & Co., Ltd., Calgary, Alta.; A. L. McWilliams, Kelly, Douglas & Co. Ltd., Vancouver, B.C.

Bursars—Henry Detchon, general manager, Canadian Credit Men's Trust Association Ltd., Winnipeg.

F. G. Clennett, manager, Canadian Credit Men's Trust Association, Ltd., Halifax, N.S.

Frank Whelpley, manager, Canadian Credit Men's Trust Association, Ltd., Saint John, N.B.; Albert Eade, manager, Canadian Credit Men's Trust Association, Ltd., Montreal, P.Q.

A. S. Crighton, manager Canadian Credit Men's Trust Association, Ltd., Toronto, Ont.

E. C. Gilliat, manager, Canadian Credit Men's Trust Association, Ltd., Winnipeg, Man.

H. J. Beveridge, manager, Canadian Credit Men's Trust Association, Ltd., Saskatoon, Sask.

F. W. Adams, manager, Canadian Credit Men's Trust Association, Ltd., Regina, Sask.

F. R. Freeze, manager, Canadian Credit Men's Trust Association, Ltd., Calgary, Alta.

J. A. MacKinnon, manager, Canadian Credit Men's Trust Association, Ltd., Edmonton, Alta.

R. D. Dinning, manager, Canadian Credit Men's Trust Association, Ltd., Vancouver, B.C.

Canadian Mails Again Carry Offer to Sell $575 in Ford Stock for $1,000

So-Called Bankers' Shares, Costing $10, Are Secured by One-Hundredth Part of Share in Motor Company

Canadian mails again are flooded with advertising matter for bankers' shares secured by deposited capital stock of Ford Motor Co. of Canada. It is an old fraud which has been uncovered many times.

The latest bait cluttering up the mails is printed in two colors with an ornamental border in imitation of a stock certificate. It reads as follows:

THIS IS TO CERTIFY

that (fill in the name of any gullible person) being the owner of a motor car, is hereby extended the privilege of subscribing for, not to exceed one hundred (100) Ford Motor Co. of Canada, Ltd., bankers' shares at $10 each.

Investors who in 1904 took advantage of the opportunity to invest $1,000 and upwards in Ford of Canada are profiting to-day, including dividends, $375,000 for every $1,000 invested.

Ford of Canada is still in its infancy—but growing, expanding and increasing its business, surplus and profits every day and will grow in time to be as large as the Ford Motor Co. of Detroit.

$1,000 INVESTED TO-DAY IN FORD OF CANADA SHOULD THEN BE WORTH MORE THAN $150,000.

For the convenience of subscribers the Capital Stock of the Ford Motor Company of Canada, Ltd., is held under a protective trust agreement providing for the issuance of 100 Bankers' Shares for each share of Ford of Canada Capital Stock so deposited. The Trust Agreement provides that all cash or stock dividends shall be distributed to certificate holders by the Trustee, without any deductions whatever.

The officers of Ford of Canada are: Henry Ford, pres.; W. R. Campbell, vice-pres. and treasurer; Edsel B. Ford, vice-president; P. G. Grandjean, secretary and assistant treasurer.

This privilege must be exercised on or before November 3, 1927, or it is automatically withdrawn.

They must be exceedingly gullible persons who would succumb to such an offer if they take the trouble to read the document and then learn at what price the stock of Ford Motor Co. of Canada is selling on the New York curb market.

$575 for $1,000

It will be noted that 100 so-called bankers' shares at $10 each are secured by exactly one share of Ford of Canada stock. One hundred bankers' shares cost $1,000, and Ford of Canadad stock sold this week at $575. Thus the security for each $10 bankers' share is one-hundredth part of a share, which is worth, according to the latest quotation, $5.75.

It will be noted in the foregoing that the Trust Agreement provides that all cash or stock dividends shall be distributed to certificate holders by the trustee "without any deductions whatever." The trustee can well afford to do this out of the $325 profit that there is between the cost of 100 so-called bankers' shares and the cost of one share of Ford Motor Co. of Canada.

One Reader's Experience

A reader of The Financial Post who sends a copy of this "special subscription privilege" relates his experience:

"About two years ago I received a similar circular from a different company and, being under the impression that this was real Ford Motor Co. stock and without getting any advice, I subscribed $100 and received my certificate for bankers shares secured by Ford Motor stock one one-hundredth interest in one share (for each banker's share).

"Shortly afterward I received an offer to exchange for something else to which I paid no attention. A month or two later I received a notice that this company was being liquidated and to surrender my shares, for which I received $40.

"A pure swindle of 60 per cent. of my capital.

"I did not begrudge the money as it taught me a very good lesson and at not too high a price.

"It seems strange to me that Ford Motor Co. should allow their name to be used as a basis in a scheme of this kind.

"These circulars are being addressed to owners of Ford cars who are, therefore, poorer people unacquainted probably with schemes of this kind and who cannot afford to lose a little money, but who, when they see the name of Ford attached to it feel safe in investing a little money, as they think, in Ford Motor Co."

The company offering these so-called bankers' shares gives a post-office address in Wilmington, Del. The United States postal authorities are armed with stringent laws designed to check the use of the mails to defraud. A little collaboration between the Canadian and the United States postoffice departments might prevent the flooding of Canadian mails with such spurious offers.

During the first nine months of the present calendar year the Canada Colonization Association placed 464 families on 119,633 acres of land in the west. There were 133 placed in Manitoba on 26,810 acres; 175 families in Saskatchewan on 50,815 acres; 141 in Alberta on 38,421 acres and 15 in British Columbia on 3,587 acres. The association is a subsidiary of the Canadian Pacific Railway Department of Colonization and Development.

H C & M

The facilities of our complete organization are available to anyone desiring information or reports concerning Bonds and Stocks.

Harley, Milner & Co.

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INVESTMENT SECURITIES

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F2

Have You a Lucky Star?

PERHAPS it is Mars....the gentleman with pugilistic tendencies....or it may be Venus ....the lady of the rose-colored spectacles....but, if by any chance it is Saturn, the star with a plain gold ring, ah then, you are governed by domesticity and have all the luck. You are a modern householder, and it is no trick for the artful little clairvoyant to see you by your own fireside reading your MAYFAIR....Mayfair, the modern magazine of brains and brilliance....newsy, entertaining, amusing.

Mayfair, with its intimate glimpses of the most interesting personalities....its pages bright with inspiring photographs....scintillating with witticisms and absorbing gossip touching on society....travel....sport....bridge....motor cars.... fashions for men and women.

The 15th of Each Month there's a New MAYFAIR *At Your Newsdealer's*

If you haven't yet read this mouthpiece of smart society, start with the

Christmas Number

(December—out November 15th)

Jolly, sparkling, twinkling, a veritable Christmas tree a'blaze with thrilling surprises .... gift suggestions galore with beautiful photographs—gifts for the whole family .... gifts for every age, fancy, taste and purse .... frolicsome Yuletide stories, frivolous chit chat, amusing gossip. ....

Winter Sports and Going-South Number

(January—out December 10th)

with gay Yuletide gambols and last minute gift suggestions .... what society will wear whizzing through the air on skis, whirling over the glistening ice, dashing down the dizzy slide .... what they will wear in the South, motoring, teaing, dancing .... the earliest breath of fashion from Paris. ....

MACLEAN PUBLISHING CO., LIMITED, ...1927
143 University Avenue,
Toronto.

Please add to your list the name and address below. I enclose $5.00, for which send me MAYFAIR Two Years —(or): I enclose $3.00, for which send MAYFAIR One Year.

Name .....

Address .....

.....

Canada Draws Biggest Revenue from Customers

Comparison With Other Countries Shows We Depend Less Upon Income Tax Than Do Others

Canada and Australia rely upon customs duties; Great Britain and United States upon income tax as their respective chief sources of tax revenue.

The Citizens Research Institute of Canada has made a report on the subject, bringing out these facts.

large extent for its own manufactured goods by a high tariff and thus derives comparatively small revenue by means of customs duties. In both these countries income taxes form a higher percentage of the federal revenue than do customs duties.

CENTRAL OR FEDERAL GOVERNMENT TAXATION—1925

Source	Canada Amount	Canada % of Total	Australia Amount	Australia % of Total	Great Britain Amount	Great Britain % of Total	United States Amount	United States % of Total
Customs	$127,355,144	38.9	$128,503,356	50.0	$ 503,629,384	15.1	$ 547,561,000	17.5
*Income	56,745,411	17.3	54,560,071	21.2	1,662,356,761	49.9	1,761,643,476	56.2
All Others	143,474,457	43.8	74,066,742	28.8	1,165,415,685	35.0	822,496,792	26.3
	$327,575,012	100%	$257,130,169	100%	$3,331,401,830	100%	$3,131,701,268	100%

*Includes Incomes of Individuals and Corporations, also Super Taxes, Surtaxes, Excess Profits Taxes, etc.

No Uniformity of Revenue

There is no uniformity of sources from which central governments in the four countries concerned derive their tax revenue. Income taxation, customs and excise duties are common to each country and form the backbone of the revenue. Estate duties form another large source of income in Great Britain and in the United States. Australia also derives revenue from this source but in Canada this field has been left to the provinces. In Australia and England land is taxed to some extent for federal purposes but in Canada and the United States this form of revenue is left to the provinces, states and local authorities. Stamp taxes are levied on various transactions in each of the four countries. Amusement taxes provide a considerable income for the United States and also for the Australian federal treasury but in Canada such taxes when levied are for provincial or for joint provincial and municipal use. The table below illustrates the amount derived by each country from—1. Customs duties—2. Income taxes, both individual and corporation and inclusive of super taxes, excess profits and other similar taxes, and 3. All other taxes. It is worthy of comment that the United States—a high tariff country—and Great Britain—a low, and in many respects, a non-tariff country—both derive a comparatively small proportion of their total central or federal taxation from customs duties, while in Canada and Australia—both moderate tariff countries the percentage of the total derived from customs duties is 38.9 per cent. and 50 per cent. respectively. It must, of course, be taken into consideration that both Great Britain and the United States are highly industrialized countries, one pursuing the policy of levying customs duties only on goods of certain classes and competing with the world in other regards, thus deriving a relatively small revenue from this source, while the other, having much of its raw material within its own borders, in other words comparatively self sufficient, keeps its markets to a

In dicussing taxation by provinces and states, it is pointed out that Great Britain has no government of this type so that the discussion under this heading refers only to such governments in Canada, United States and Australia. As in the case of the federal governments, revenues for the support of these governments are drawn from varied sources. Succession or inheritance duties are, however, a fairly general source, being used in all the Canadian provinces, all the Australian states and 45 of the United States. The rate, however, may vary from province to province and state to state. Taxes on certain classes of corporation and business are also a very large source of revenue in United States and Canada. The corporations taxed in this manner are financial corporations, such as banks, loan companies, insurance companies, etc., and privately owned public utility corporations, such as railways, street railways, telephone companies, electric light and power plants, express companies, etc. In some provinces and states incorporated companies of all kinds are taxed. Australia taxes corporations through the income tax, which brings in a very large portion of the funds required for state purposes in addition to forming a generous source of revenue for Commonwealth purposes. Three out of nine of the Canadian provinces levy an income tax for provincial purposes, while 13 of the United States derive revenue for state purposes from this source. Land taxes are in use in all Australian states and in five* of the provinces of Canada, while all except three of the United States now use the general property tax, which is inclusive of real property, as a revenue for state purposes. Of late years the automobile taxes have formed a large source of state or provincial revenue in the three countries. The motor fuel tax is prominent in United States and Canada and is each year coming into more general use. In some places the states or provinces divide this source of revenue with the municipalities but in general it is used to apply to the upkeep of state and provincial highways. The table following shows the division of state and provincial revenues as to main sources.

PROVINCIAL OR STATE TAXATION—1925

Source	Canada Amount	Canada % of Total	Australia Amount	Australia % of Total	United States Amount	United States % of Total
Succession, Estate Duties, etc.	$10,557,426	17.9	$13,470,686	12.8	$ 85,594,069	7.6
Corporation or Business Taxes	12,146,766	20.7	*		336,259,341	29.8
Automobile Taxes	14,010,246	23.9	†6,456,382	6.1	198,710,310	17.6
Motor Fuel	4,053,211	6.9	‡		87,353,194	7.7
Real and General Property	9,720,077	16.5	6,328,400	6.0	358,601,933	31.8
Income and Poll Taxes	4,084,116	7.0	58,470,554	55.4	31,465,045	2.8
All other Taxes	4,110,768	7.1	20,733,380	19.7	31,175,676	2.7
	$58,682,610	100%	$105,459,402	100%	$1,129,459,568	100%

†Vehicle Registration and Motor Tax, as given in the Australian Year Book, 1926.

*Included under Income Taxation, amount from Corporations unknown to the Institute.

‡Included under All Other Taxes as exact amount of revenue from this Source was unknown to the Institute.

EDMONTON MAKES BIG IMPROVEMENT IN CITY FINANCES

Sets Example to Western Towns in Solving Problems

Improvement in the financial position of the city of Edmonton in the past few years, has been one of the definite and outstanding signs of the sound manner in which Western Canadian cities are rehabilitating themselves.

In taking stock of the city's present position it is essential that mention should be made of the fact that owing to the abnormally rapid expansion which took place during the years 1909 to 1913, when the city, which has been one of the leaders in the movement of municipal ownership, had extended its public utility systems until these were capable of serving a much larger population than necessary, with the result that on the outbreak of the war a policy of stern retrenchment had to be inaugurated since when owing to the city's large bonded indebtedness on account of the unduly large expenditures on public works which had been incurred, the problem of the civic administration has been an extremely difficult one.

The city's financial position although still necessitating careful management, is being gradually re-established on a sound basis. Doubtless, the gross funded debt, amounting to $35,283,826 at the end of last year (exclusive of schools), constitutes a severe handicap in overtaking numerous public improvements which it might be otherwise possible to inaugurate if conditions permitted.

Strengthen Position

The tightening up process of the past few years has resulted in a decided improvement in the financial position of the city. In 1926, for example, not only were the ordinary sinking fund contributions, amounting to $511,361, met in full, but an additional $144,873 was paid over to the Board as the first of the twenty yearly payments under the short term loan consolidation plan.

The amount of sinking fund on hand at the end of last year was $10,319,671, all of which is in negotiable securities. A further reduction of $562,869 was made in the city's net debenture debt last year.

Assessment of land within the city which in 1914 was over $190,000,000, on land only, has been reduced to $34,870,821 on land and $24,313,040 on improvements and franchises in 1927, or a total of $59,183,861. As regards lands only it is equivalent to less than one-fifth of the assessment in 1914. This fact is symptomatic of the situation as affecting the city's position as a whole.

Record Tax Collections

Tax collections, both current and arrears, have established a further record, the combined amounts in 1926 being $3,688,021.52, or 106.16 per cent. of the year's levy, as compared with 104.44 per cent. in 1925.

Reflecting the great improvement in the operating affairs of the city, the bank overdraft charges in 1926 were reduced to $9,512.72, as compared with $22,495.55 in 1925, and $60,354.13 in 1924.

The year 1926 closed with a surplus on revenue account of $52,758.55.

BUSINESS SURVEY MADE BY BUREAU

National Bureau of Economic Research Organizing Survey of Changing Productivity

In recent decades industry has experienced a remarkable growth. It is highly desirable that the extent, causes and effects of this industrial progress be understood. Economic research is necessary to secure this knowledge.

The National Bureau of Economic Research was organized in 1920 for the purpose of conducting unbiased and expert investigations into such subjects as this. Already the Bureau has made a number of valuable contributions to our economic knowledge along this line.

Among these are business cycle changes in terms sufficiently general to hazard no business secrets.

For the time being, at least, the scope of this survey will be restricted to selected manufacturing industries and construction operations.

Survey of Productivity

A survey of changing productivity is now being undertaken by the Bureau, in which it seeks the co-operation of public-spirited industrial executives.

The object of this survey is to ascertain as accurately as possible, for the various industries and processes, the typical number of units of product turned out for each hour of labor applied, and to compare the output at the present time with the output at earlier periods.

MIDDLE WEST IS MAKING HEADWAY IN MANUFACTURES

Production in Prairie Provinces Now Valued at $239,352,000

In line with other industrial areas of the Dominions, the Prairie Provinces recorded a substantial increase in the value of manufactures for the year 1925. According to a report of the Bureau of Statistics, Manitoba, Saskatchewan and Alberta in that year had a production valued at $239,352,553, as compared with $203,811,305 in 1924, an increase of $35,541,248.

A feature of the manufacturing situation in the estern provinces, has been the steady manner in which Alberta has been forging to the front. In 1925, Manitoba accounted for $124,145,763 of the total value of manufactures. Alberta was second with $75,113,517, followed by Saskatchewan with $40,093,273.

Deducting the cost of materials, the amount of new wealth created by manufacturers in the three Prairie Provinces in 1923 was $97,459,949, or $13,967,529 in excess of the same figures for the preceding year. Of this total, Manitoba received credit for $52,462,650, Alberta, $29,257,607 and Saskatchewan $15,739,692.

Capital Investment High

At the end of 1925, manufacturing establishments in the Prairie Provinces represented a capital investment of $221,775,982. This is $14,928,854 greater than in the preceding year. Analysis of the report shows that Manitoba had 769 plants, with a capital invested of $120,362,238; Saskatchewan 650 establishments, with an investment of $31,687,896; and Alberta, 734 factories and a capital of $69,805,848.

Flour milling was the most important industry on the Prairies in 1925, from the standpoint of value of products. The meat packing industry was second in Manitoba and Alberta, and the dairy industry in Saskatchewan. Third place was held by the light and power industry in Saskatchewan.

The percentage of the value of production of the leading industries in each province to the total of all industries was approximately as follows: Manitoba, 66 per cent; Saskatchewan 76 per cent.; Alberta 79 per cent. These percentages are higher than in 1924 for Manitoba and Saskatchewan; the figures for that year being Manitoba 63 per cent.; Saskatchewan 74 per cent.

The standing of the ten leading industries in the West, in order of value of output, were as follows in 1925:

Flour and gristmill	$48,132,559
Slaughtering and meatpacking	33,392,270
Butter and cheese	23,654,404
Electric light and power	11,163,215
Rolling stock	9,863,162
Breweries	9,755,427
Printing and publishing	9,366,260
Bread, etc.	7,611,924
Petroleum	5,458,412
Bags, cotton and jute	5,022,085

Under groups of industries, vegetable products lead in all three provinces. Animal products are next in importance, followed by textiles. The balance of the list is the same for each province, wood and paper products being next in order of importance, then iron and steel, non-ferrous metal, non-metallic mineral, chemical and miscellaneous.

The percentage of products in the urban centres of each province to the total value of production for the province, according to the report, was as follows: Manitoba, 91 per cent.; Saskatchewan, 85 per cent.; and Alberta, 88 per cent.

Winnipeg continues as the principal industrial centre of the Prairie Province. Calgary is next in importance. The other eight leading industrial centres of the three provinces are: St. Boniface, Edmonton, Regina, Moose Jaw, Medicine Hat, Saskatoon, Brandon, and Portage la Prairie.

APPRAISALS REPORTS INVESTIGATIONS

Industrials—Public Utilities—Natural Resources

OPINIONS

YOU can easily get an opinion as to the value of your property.

But you can get an authoritative statement of its worth only from an organization capable of appraising it impartially and provably.

A CANADIAN APPRAISAL is the true evidence of faith—uninfluenced by individual prejudiced opinion.

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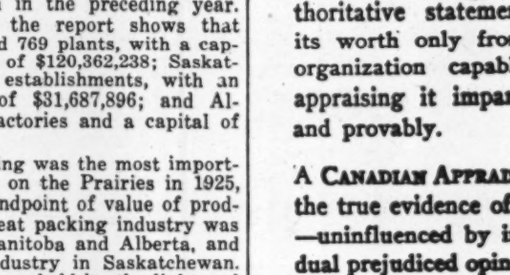
For Economy with Service Route Your Freight Shipments *via*

Canada Steamship Lines, LIMITED

Between	*From*	*Between*
Montreal Three Rivers Quebec	Montreal, Toronto, Hamilton to Port Arthur, Fort William	Montreal, Toronto, Hamilton, Windsor, Detroit



Dack's New 'Cavendish' An exclusive Dack design for Fall and Winter—made on an English last, giving style, fit and comfort. Extra heavy soles—welted heels. Made from choicest Scotch Grain Leather—in Black or Tan.

A certain distinction of pattern and finish--- a quality of workmanship and material, is found exclusively in

Dack's Shoes for Men

(*From Maker to Wearer*)

See our very Exclusive Imported Hosiery and Spats—for Fall wear.

Write for our new illustrated Style Book, gladly mailed with our compliments.

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ALCO-METER SERVICE tells you exactly how much

MAPLE LEAF ANTI-FREEZE

you require in the radiator of your car, truck or tractor, to keep it from freezing.

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Any engineer appreciates a precision instrument. That's why I use a Parker.

A. N. Fokker

An Endorsement That No One Could Buy

Given to the Parker Duofold by Anthony Fokker, Famous Monoplane Designer

Read what he says about this famous writing instrument

When Anthony Fokker, designer of monoplanes used in record-breaking flights to the North Pole, France and Hawaii, endorses the Parker Duofold, he speaks with authority.

"Any engineer," he says, "appreciates a precision instrument. That's why I use a Parker Pen."

To him, precision in a pen means *immediate writing* at the touch of point to paper. It means the famous *pressureless* touch, which makes the Parker Duofold the *easiest*-writing instrument the world has ever seen.

It means *continuous* perfect writing—a pen that clears the track for *thinking*, with no petty interruptions.

If you want to know why "Fokker" endorses Parker Pens, try one at your dealer's.

But don't be misled by colour. That may be imitated. The pen that *writes* differently—Fokker's favorite "precision pen"—is stamped "Geo. S. Parker" on the barrel.

THE PARKER FOUNTAIN PEN COMPANY, LIMITED
TORONTO 3, ONTARIO

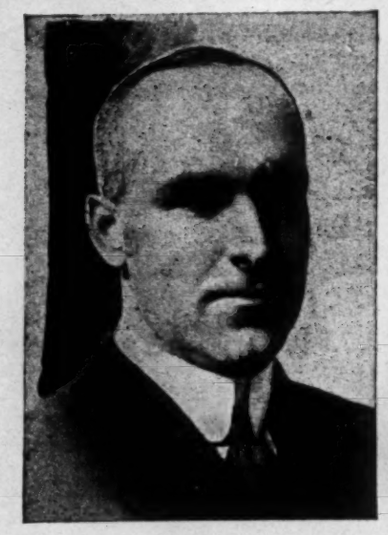
Parker Duofold

Duofold Jr. $5 Lady Duofold $5 OVER-SIZE $7

Duofold Pencils to match: $3, $3.50 and $4

MADE IN CANADA — SAME PRICE AS IN THE STATES

Are Among Leaders in Grain Trade



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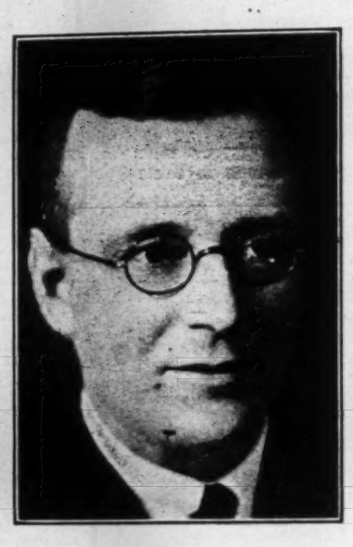

F. W. RIDDELL

The above photographs depict the leading lights in the Alberta Grain Company. On the left is James Stewart, president of the organization, and right is F. W. Riddell, general manager.

Alberta Grain Preferred is Regarded Favorably for Investment Merit

Company is Distinguished by Being Only One in Trade Having Public Investment Interest—James Stewart and F. W. Riddell Guide Destinies

The Alberta Pacific Grain Co. is distinguished by being the only one in the trade in which there is a public investment interest. The shares are actively traded both in Toronto and Montreal. In view of the increasingly sound financial position of the company, the preferred stock is coming to be regarded highly for its investment merit and it is considered that its prevailing price of around 95 should be attractive in these days of decreasing interest rates.

The common stock enjoys periods of activity, especially on the Toronto exchange, moving in the last few months from the late twenties to twenty points or more higher. It has been conservatively estimated that the earnings in the current year will be in the neighborhood of $10 the share, as compared with $3.55 the share in the last year.

Outlook is Promising

It is contended, naturally, that owing to the wide fluctuations in the amount of grain which an elevator company may handle, the shares are not entitled to sell as high as would shares in an industrial company the output of which is fairly steady. But it is considered that the prevailing 50 for the common is moderate in view of the current outlook for the company and the probability that the average profit over a term of years should be reasonably high, especially when it is remembered that there is always an upward tendency in grain acreage and grain production.

The following table shows the action of the preferred and common stock so far in 1927:

Market Record—

	1927			
	Common		Preferred	
	High	Low	High	Low
February	27¼	25	91¼	87½
March	27	22	92	89
April	24¾	19½	92	89
May	22	20	89¼	85
June	22	20½	90	87¼
July	22	21	88½	85
August	29¾	21½	93½	88¼
September	35¼	26½	93	90
October	54½	35½	97	92
*November	50	45	95	93

*To 16th.

Two of Canada's leading grain men—James Stewart and F. W. Riddell—are guiding the destinies of Canada's largest privately owned grain handling organization.

During the hectic days in the grain trade following the war, the government selected these two men to manage the affairs of the Canada Wheat Board. Mr. Stewart was an outstanding figure in the export trade, and Mr. Riddell had won fame for the manner in which he had brought the Saskatchewan Co-operative Elevator Company to the front.

Mr. Riddell, who is in direct charge of the affairs of the Alberta Pacific, with headquarters at Calgary, became identified with the co-operative elevator system in Saskatchewan during its period of organization. At the time of its sale to the pool, Mr. Riddell had developed a system of 451 country elevators and terminal elevator holdings at the head of the Great Lakes, totalling more than 25 per cent. of the entire bin space, in addition to large terminal elevators at Buffalo and export offices in Winnipeg, Vancouver, New York and London, England. His system handled more than 20 per cent. of the total crop marketed in Saskatchewan. It was this system which was turned over to the Saskatchewan Wheat Pool, the sale price being more than $11,000,000, and which gave the Co-operative Elevator shareholders a profit of millions of dollars on their original investment.

Advised Government

Following the dissolution of the wheat board, the government of Saskatchewan called upon Messrs. Stewart and Riddell to make a report on wheat marketing, which was prepared and presented to the government in 1921. During the sessions of the Royal Grain Inquiry Commission, presided over by Mr. Justice Turgeon, Mr. Riddell was called upon on several occasions to give expert testimony on grain handling and marketing problems.

In assuming the general managership of The Alberta Pacific Grain Company, it is interesting to note that Mr. Riddell again becomes closely associated with James Stewart. These two men held Canada's most responsible positions in 1919-20—those of marketing Canada's wheat crop in a most strenuous economic period, and which was done in such a satisfactory manner that the farmers themselves copied the wheat board scheme and instituted the centralized method of marketing their grain through the grain pools. Later, Messrs. Stewart and Riddell drew up the report on grain marketing for the Saskatchewan government.

In 1922, Mr. Stewart became export manager for the Saskatchewan Co-operative Elevator Company, when that branch of the company's business was organized. These two men are the leading lights in the Alberta Pacific Grain Company—Mr. Stewart as president and Mr. Riddell as vice-president and managing director. With its 350 country elevators throughout Saskatchewan and Alberta, interior elevator at Calgary, terminal facilities at the head of the Great Lakes and on the Pacific coast, and offices at important trading centres in Canada, the Alberta Pacific is the largest privately-owned grain handling organization on the continent.

Marketing Expert

Mr. Riddell has been closely associated with all matters relating to the welfare of agriculture in Western Canada for the past decade. He has served as a member on the Canadian Council of Agriculture for many years, and has taken part in many of the important debates in the council on matters relating to the handling and marketing of grain.

The company now owns and operates 350 country grain elevators at principal grain growing points throughout Alberta, Saskatchewan and Manitoba, in addition to 250 coal sheds and a large number of flour warehouses and feed-sheds, where Maple Leaf flour and "A. P." brands of feeds are handled.

Vancouver Terminals

It has large terminal elevator holdings at Vancouver, operated under the name of the Vancouver Terminal Company, Ltd., and the Pacific Terminal Elevator Company, Ltd. The "A. P." also has large terminal holdings at the head of the Great Lakes. Through the company's channel of country and terminal elevators, grain may be routed to the consuming markets of the world at the lowest possible cost.

In the Winnipeg, Calgary Vancouver and Edmonton offices, are to be found men with long years of training in the handling and marketing of grain to the best possible advantage of the grower. Through the Alberta Pacific the producer is assured of obtaining the greatest price obtainable for his products. Memberships are held by the Alberta Pacific on the Winnipeg Grain Exchange, the Calgary Grain Exchange, the Chicago Board of Trade, the Minneapolis Chamber of Commerce and the Vancouver Merchants' Exchange.

The company maintains inspection departments at Edmonton, Calgary and Winnipeg, for rendering service to the farmer in ascertaining that the producer receives the highest grade which his grain warrants. These inspection offices have been in existence since the inauguration of the inspection branches at Calgary and Edmonton, and have rendered a great service to the farmers of the province.

Broadcasting Station

In order to become more closely associated with its thousands of customers throughout the Prairie Provinces the Alberta Pacific Grain Company erected recently one of Canada's most powerful broadcasting stations at Red Deer, with broadcasting studios located at Calgary, Red Deer and Edmonton. In addition to broadcasting grain prices at noon, daily, the company puts entertainment programmes on the air during the afternoons and evenings.

October Building Permits Record Substantial Gain

A further increase of 30.7 per cent. is shown in the government's report of building permits issued in 63 Canadian cities during the month of October, as compared with the preceding month, and 27.8 per cent. over the corresponding month of last year. Aggregate value of permits issued last month was $18,838,558, as against $14,410,212 in September and $14,788,402 in October, 1926.

The value in the month under review was greater than in October of any year for which statistics of these centres are available, while the cumulative total for the months of 1927 exceeds by almost $26,000,000 that for the same months in 1926, the previous high level of this record, which was commenced in 1920.

Some 50 cities furnished details statistics, showing that they had issued nearly 1,600 permits for dwellings estimated to cost approximately $8,800,000 and over 3,200 permits for other buildings valued at almost $9,800,000.

Quebec, Ontario, Alberta and British Columbia registered increases in the value of authorized building with September, 1927, those of $1,384,283, or 35.7 per cent. in Quebec, and $2,981,952 or 41.7 per cent. in Ontario being most noteworthy.

As compared with October of last year, there were gains in New Brunswick, Quebec, Ontario, Manitoba, Saskatchewan, Alberta and British Columbia. In this comparison also, Ontario recorded the greatest gain of $3,172,902, or 45.6 per cent.

The New Lord Nelson Hotel, Halifax,
Controlled by and Operated under the Supervision of
The Canadian Pacific Railway

NEW ISSUE

$600,000

Lord Nelson Hotel Company
Limited

6½% First Mortgage Closed 20 Year Sinking Fund Gold Bonds

To be dated October 1, 1927, maturing October 1, 1947. Interest payable 1st April and October at par at the principal branch of the Canadian Bank of Commerce, in the Cities of Halifax, Montreal, Toronto and New York. Coupon Bonds in denominations of $1,000 and $500, registerable as to principal. Redeemable in whole or in part, at the option of the Company, on any interest date upon 30 days' notice at 105 and accrued interest on or before October 1, 1932; 104 to and including 1936; 103 to and including 1940; 102 to and including 1944; thereafter at par to maturity.
Trustee: Eastern Trust Company, Halifax, N.S.

CAPITALIZATION

	Authorized	Issued
6½% First Mortgage Closed Sinking Fund Gold Bonds (this issue)	$600,000	$600,000
7% Cumulative Preference Shares	640,000	640,000
Common Shares (without par value)	3,200	

THE COMPANY. Lord Nelson Hotel Company Limited has been incorporated under the laws of the Province of Nova Scotia to acquire the property known as Brookside at the North East Corner of Spring Garden Road and South Park Street, Halifax, N.S., and to erect on it immediately a seven story fireproof hotel with approximately 200 rooms.

The formation of the Company is the result of a community effort, the leading local business firms, transportation companies and citizens subscribing heavily to its shares.

PROPERTY. The property has a frontage of approximately 245 feet on Spring Garden Road and 237 feet on South Park Street. The Hotel to be erected on it will be of fireproof construction with brick and stone exterior on both Spring Garden Road and South Park Street. It will be of seven stories with basement and contain approximately 200 guest rooms, each with bath, with stores on the ground floors and other rentable areas.

The Hotel will be immediately across the street from the Halifax Public Gardens, amongst the most beautiful on the continent. The site has the unanimous approval of the hotel experts of all the transportation companies. As it was unencumbered by buildings, no capital has been diverted to their purchase or demolition.

VALUATION. Pickings & Wilson, Architects, Halifax, valuate the building when completed at $1,000,000, based on an approximate cost of $0.82 per cubic foot for 1,200,000 cubic feet of contents. The Melvin S. Clarke Company, Real Estate Valuators, Halifax, valuate the land when Hotel is completed at $170,000.

The estimated total value of the Hotel and Land is therefore $1,170,000—almost TWICE the Bond issue of $600,000.

In addition, the furnishings of the Hotel will cost $165,000.

The assessment of the Hotel has been fixed at a sum not to exceed $260,000 for a period of ten years from the day the hotel opens.

EARNINGS. Earnings and operating expenses for the first full year of operation, and allowing for 25% vacancies at $4 a room, are estimated as follows:

Gross revenues	$241,200
Operating expenses, taxes, insurance, etc.	105,000
Net profits available for bond interest, depreciation, etc	$136,200

As against maximum annual interest requirements of $39,000 on first Mortgage Bonds, or 3½ times such interest requirements.

DIRECTORS. Following is the Provisional Directorate: H.R. Silver, President, Director of Canadian Bank of Commerce, Vice-President The Eastern Trust Co.; J. H. Winfield, Vice-President, Managing Director Maritime Telegraph & Telephone Co. Ltd.; Lt. Col. S. C. Oland, Secretary, Director Oland & Son, Ltd.; M. S. Clarke, Director, President Nova Scotia Trust Co.; R. B. Colwell, Director, President R. B. Colwell Ltd., Director Maritime Life; F. J. G. Comeau, Director, General Freight & Passenger Agent, Dominion Atlantic Railway; W. H. Dennis, Director, Vice-President Halifax Herald, Ltd., Director Nova Scotia Trust Company; J. G. Farquhar, Director, President of Farquhar & Co. Ltd., Director Nova Scotia Trust Company; Gordon B. Isnor, Director, Proprietor Isnor Brothers; R. J. Macadam, Director, Manager Casino Theatre; Dr. J. G. McDougall, Director, Director Maritime Life Insurance Co.; Dr. H. K. MacDonald, Director, Surgeon; J. G. Rainnie, Director, President Rainnie & Co. Ltd.; J. McG. Stewart, K.C., Director, Director Acadia Sugar, Director Nova Scotia Tramways & Power Co., Ltd.; F. H. Zwicker, Director, Managing Director Nova Print Ltd.; H. R. Bain, President H. R. Bain & Co., Ltd., Investment Bankers, Toronto.

The Permanent Board will be limited to nine members, two of whom will be nominated by the C.P.R.

SHAREHOLDERS. The Canadian Pacific Railway has subscribed for $350,000 of the Preferred Shares of the Company. The Eastern Steamships Company has subscribed for $50,000. Other steamship corporations have subscribed proportionately—such as Furness Withy, $10,000, Pickford and Black, $10,000, Farquhar and Co., $5,000. Prominent business firms like Imperial Oil have subscribed for $10,000, Robert Simpson Eastern, $5,000, etc., etc.

Both as Companies and as shareholders in The Lord Nelson, these concerns will have a direct and substantial interest in promoting the success of the Hotel.

The entire issue of Preferred Shares has already been placed with the public, primarily with those who can influence favorably the future of The Lord Nelson. The proceeds of these shares represent an actual cash equity of $640,000 junior to these Bonds.

THE FUTURE. Visitors to Nova Scotia and to Halifax show a regular and rapid increase annually. Last year Government figures show an increase of 50% in the number of tourists without motor cars and of 87% motorists over the year before. Hitherto Halifax has completely lacked modern fireproof tourist accommodation. Already it is considered that the demand for such accommodation will be greater than The Lord Nelson can supply, without consideration of the stimulus such hotels invariably have on further travel.

CONSTRUCTION. Plans and specifications of the Hotel Building have been prepared by, and contract for its erection let to, H. L. Stevens and Company, Architects and Construction Engineers, New York. This firm have already built more than 100 fireproof hotels in the United States and are at present finishing a 400 room hotel for the Mellon interests in Pittsburgh. They have delivered to the Company an approved Guarantee Bond for $200,000 executed by themselves and the United States Fidelity Company in favor of the Trustee for the Bondholders and the Company, as their interest may appear, that the work will be properly carried out in accordance with the construction contract, plans and specifications.

The entire proceeds of this Bond issue will be deposited with the Trustee only to be paid out for the purposes provided in the Trust Deed in accordance with the Progress Certificates of the Architect.

MANAGEMENT. The management of the Hotel will be under direction of the Canadian Pacific Railway which is already successfully conducting two hotels in the Province of Nova Scotia as well as twelve palatial hotels elsewhere in Canada.

SECURITY. Bonds will be secured by Deed of Trust and Mortgage in favor of the Eastern Trust Company as Trustee, constituting a First and Specific Mortgage or charge upon the said Brookside property, and all other fixed assets of the Company, present or future, and a first floating charge on other property, present and future, of the Company.

SINKING FUND. The Deed of Trust will provide that the Company will pay to the Trustee on October 1st, of each year, commencing with 1931, a sum equal to 2% of the principal amount of the Bonds, together with an amount equal to the annual interest on all Bonds previously redeemed.
It is estimated that the Sinking Fund thus provided will be sufficient to redeem the entire bond issue by maturity.

PRICE: To Yield Approximately 6¼%

We offer these Bonds for delivery if, as and when issued and received by us, and subject to approval of our counsel

H. R. BAIN & COMPANY, Ltd.

Goverment, Municipal and Corporation Bonds

371 Bay Street, TORONTO, ONT. Eastern Trust Building, HALIFAX, N.S.

The statements contained in this circular, while not guaranteed, are based upon information which we believe to be reliable and upon which we acted in purchasing these securities.